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Rules and Regulations

Title 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Tree Nuts), Department of Agriculture

PART 908—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Determination Relative to Expenses and Fixing of Rate of Assessment for 1962–63 Fiscal Year

Notice was published in the April 4, 1963, daily issue of the FEDERAL REGISTER (28 F.R. 3281) that consideration was being given to the proposals regarding the expenses and the fixing of the rate of assessment for the 1962–63 fiscal year under the marketing agreement, as amended, and Order No. 908, as amended (7 CFR Part 908; 27 F.R. 10089), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674). After consideration of all relevant matters presented, including the proposals set forth in such notice which were submitted by the Valencia Orange Administrative Committee (established pursuant to said amended marketing agreement and order), it is hereby found and determined that:

§ 908.202 Expenses and rate of assessment for the 1962–63 fiscal year.

(a) The expenses necessary to be incurred by the Valencia Orange Administrative Committee, established pursuant to the provisions of the aforesaid amended marketing agreement and order, to enable such committee to perform its functions, in accordance with the provisions thereof, during the 1962–63 fiscal year (November 1, 1962, through October 31, 1963) will amount to $180,000; and the rate of assessment, which each handler who first handles oranges shall pay as his pro rata share of the aforesaid expenses in accordance with the applicable provisions of said amended marketing agreement and order, is hereby fixed at thirteen mills ($0.013) per carton of oranges handled by such handler as the first handler thereof during the 1962–63 fiscal year.

It is hereby found that good cause exists for not postponing the effective time of this action until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 1001–1011) in that: (1) The relevant provisions of said amended marketing agreement and this part require that the rate of assessment fixed for a particular fiscal year shall be applicable to all assessable Valencia oranges from the beginning of such year; and (2) the current fiscal year began on November 1, 1962, and the rate of assessment herein fixed will automatically apply to all assessable Valencia oranges beginning with such date.

Terms used herein shall have the same meaning as when used in said amended marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: April 18, 1963.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 63-4322; Filed, Apr. 22, 1963; 8:50 a.m.]

[Lemon Reg. 58, Amdt. 1]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

Findings. 1. Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910; 27 F.R. 8346), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

2. It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient, and this amendment relieves restriction on the handling of lemons grown in California and Arizona.

Order, as amended. The provisions in paragraph (b)(1)(ii) of § 910.358 (Lemon Regulation 58, 28 F.R. 3647) are hereby amended to read as follows:

(ii) District 2: 302,250 cartons.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: April 18, 1963.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 63-4304; Filed, Apr. 22, 1963; 8:48 a.m.]

[Lime Reg. 5]

PART 911—LIMES GROWN IN FLORIDA

Quality and Size

§ 911.307 Lime Regulation 5.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 911, as amended (7 CFR Part 911), regulating the handling of limes grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations of the Florida Lime Administrative Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of limes, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rulemaking procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) in that, as hereinafter set forth, the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than May 6, 1963. Shipments of Florida limes are currently regulated pursuant to Lime Regulation 4 (28 F.R. 346) and are subject thereunder to quality and size restrictions; Lime Regulation 4 is scheduled to terminate effective at 12:01 a.m., e.s.t., May 6, 1963; determinations as to the need for, and extent of, continued regulation of Florida lime shipments must await the development of the crop and the availability of information on the demand for such fruit; the recommendations and supporting information for regulation of lime shipments subsequent to May 6, 1963, and in the manner herein provided, were promptly submitted to the Department after an open meeting of the Florida Lime Administrative Committee on April 9, 1963, held to consider recommendations for regulation; the provisions of this section are identical with the aforesaid recommendations of the committee, and information concerning such provisions has been disseminated among handlers of Florida limes; it is necessary, in order to effectuate the declared policy of the act, to make this section effective as hereinafter set forth; and compliance with this section will not require any special preparation on the part of the

persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) During the period beginning at 12:01 a.m., e.s.t., May 6, 1963, and ending at 12:01 a.m., e.s.t., May 1, 1964, no handler shall handle:

(i) Any limes of the group known as true limes (also known as Mexican, West Indian, and Key limes and by other synonyms), grown in the production area, which do not meet the requirements of at least U.S. No. 2 grade for Persian (Tahiti) limes, except as to color;

(ii) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties), grown in the production area, which do not grade at least U.S. No. 2, Turning; or

(iii) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) which are of a size smaller than 1⅞ inches in diameter:

Provided, That not to exceed 10 percent, by count, of the limes in any container may fail to meet this requirement.

(3) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade and diameter, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Persian (Tahiti) Limes (§§ 51.1000–51.1016).

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: April 18, 1963.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 63–4305; Filed, Apr. 22, 1963; 8:48 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket C–324]

PART 13—PROHIBITED TRADE PRACTICES

Seal Plac, Inc., et al.

Subpart—Importing, selling, or transporting flammable wear: § 13.1060 *Importing, selling, or transporting flammable wear.* Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 *Formal regulatory and statutory requirements:* § 13.1852–70 *Textile Fiber Products Identification Act.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, 67 Stat. 111, as amended, 72 Stat. 1717; 15 U.S.C. 45, 1191, 70) [Cease and desist order, Seal Plac, Inc., et al., New York, N.Y., Docket C–324, April 5, 1963]

In the Matter of Seal Plac, Inc., a Corporation, and Murray Rudolph, Individually and as an Officer of Said Corporation, and Doing Business as Atomic Trimming Company

Consent order requiring New York City importers to cease selling in commerce fabric which was so highly flammable as to be dangerous when worn, and to cease distributing scarfs and fabric squares which were not labeled with any of the information required by the Textile Fiber Products Identification Act.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That the respondents Seal Plac, Inc., a corporation, and its officers, and Murray Rudolph, individually and as an officer of said corporation, and doing business as Atomic Trimming Company, or any other trade name, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from:

1. (a) Importing into the United States; or

(b) Selling, offering for sale, introducing, delivering for introduction, transporting or causing to be transported in commerce, as "commerce" is defined in the Flammable Fabrics Act; or

(c) Transporting or causing to be transported, for the purpose of sale or delivery after sale in commerce;

any fabric which, under the provisions of section 4 of the said Flammable Fabrics Act, as amended, is so highly flammable as to be dangerous when worn by individuals.

It is further ordered, That respondents Seal Plac, Inc., a corporation, and its officers, and Murray Rudolph, individually and as an officer of said corporation, and doing business as Atomic Trimming Company, or any other trade name, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, sale, advertising, or offering for sale, in commerce, or the transportation or causing to be transported, in commerce, or the importation into the United States of textile fiber products; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, of textile fiber products which have been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of any textile fiber products, whether in their original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from misbranding textile fiber products by failing to affix labels to such products showing each element of information required to be disclosed by section 4(b) of the Textile Fiber Products Identification Act.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

Issued: April 5, 1963.

By the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 63–4292; Filed, Apr. 22, 1963; 8:46 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 121—FOOD ADDITIVES

Subpart A—Definitions and Procedural and Interpretative Regulations

FURTHER EXTENSION OF EFFECTIVE DATE OF STATUTE FOR CERTAIN SPECIFIED FOOD ADDITIVES

Pursuant to the authority provided in the Federal Food, Drug, and Cosmetic Act (sec. 6(c), Public Law 85–929, as amended sec. 2, Public Law 87–19; 72 Stat. 1788, as amended 75 Stat. 42; 21 U.S.C., note under sec. 342) and delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (25 F.R. 8625), § 121.91 of the food additive regulations (21 CFR 121.91; 27 F.R. 12895, 28 F.R. 1993) is amended by changing certain items as follows:

§ 121.91 Further extensions of effective date of statute for certain specified food additives as indirect additives to food.

* * * * *

Product	Specified uses or restrictions	Effective date of statute extended to—
* * *	* * *	* * *
Acrylate copolymer of ethyl acrylate, methyl acrylate, and methacrylic acid (27 F. R. 12903).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Alkyl benzene sulfonate (27 F.R. 12903).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Alkylphenyl polyethylene glycol ether (27 F.R. 12903).	Compontent of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *

Product	Specified uses or restrictions	Effective date of statute extended to—
Ammonium thiosulfate (26 F.R. 12903).	Component of coating on paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Azo-bis-isobutyronitrile (27 F.R. 12903)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Benzoyl peroxide (27 F.R. 12903)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Borax (27 F.R. 12903)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
Boric acid (27 F.R. 12903)	do	Do.
* * *	* * *	* * *
Butylbenzyl phthalate (27 F.R. 12904)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Camphor fatty acid esters (27 F.R. 12904)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Cetyl alcohol, ethylene oxide condensate (27 F.R. 12904).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
Chloracetamide (27 F.R. 12904)	do	Do.
Chloral hydrate (27 F.R. 12904)	do	Do.
* * *	* * *	* * *
Cobaltous acetate (27 F.R. 12904)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Cumene hydroperoxide (27 F.R. 12904)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Diacetyl peroxide (27 F.R. 12904)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Dibutyl phthalate (27 F.R. 12905)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Diethylene glycol monobutyl ether (27 F.R. 12905).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
Do	do	Do.
* * *	* * *	* * *
1,2-Dihydro-2,2,4-trimethyl-quinoline, polymerized (27 F.R. 12905).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Dinonyl phenol (27 F.R. 12905)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Disodium hydrogen phosphate (27 F.R. 12906)	Substances used as components of coatings of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Glyceryl monobutyl ricinoleate (27 F.R. 12906)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Glyoxal (27 F.R. 12906)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Hydroabietyl alcohol (27 F.R. 12907)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Hydroquinone (27 F.R. 12907)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Isooctylphenylpolyoxyethylene glycol (27 F.R. 12907).	Components of coatings of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Japan wax (27 F.R. 12907)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
Kerosene (27 F.R. 12907)	do	Do.
* * *	* * *	* * *
Lauroyl peroxide (27 F.R. 12907)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Methyl palmitate-oleate mixture (27 F.R. 12907).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Monoethyl ether of hydroquinone (27 F.R. 12908).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Nitrocellulose (27 F.R. 12908)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Oleyl alcohol (27 F.R. 12908)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Petroleum polymerization resins obtained from the polymerization of dienes and olefins from low-boiling petroleum stocks (27 F.R. 12908).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Phthalic, maleic, ethylene glycol polyester modified with methyl rosin (27 F.R. 12909).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Polyacrylamide	Component of coating of paper and paperboard for food packaging.	July 1, 1963
Polyalkylene glycol ether (27 F.R. 12909)	do	Do.
* * *	* * *	* * *
Polyoxyethylated fatty alcohols (27 F.R. 12909)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Polyoxyethylene nonylphenol (27 F.R. 12909)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
Polyoxyethylene oleate (27 F.R. 12909)	Component of coating of paperboard for food packaging.	Do.
Polyoxyethylene-polyoxypropylene copolymer polyethers (27 F.R. 12909).	Component of coating of paper and paperboard for food packaging.	Do.
* * *	* * *	* * *
Polyoxyethylene (20) sorbitan monostearate (polysorbate 60) (27 F.R. 12910).	Component of coating of paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Polysorbate 80 (polyoxyethylene (20) sorbitan monooleate) (27 F.R. 12910).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Polyvinylidene chloride latex coating (27 F.R. 12910).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Potassium persulfate (27 F.R. 12910)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Silica, colloidal (27 F.R. 12911)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Silicone defoamer (27 F.R. 12911)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
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* * *	* * *	* * *
Sodium ethylene ether of nonylphenol sulfate (27 F.R. 12911).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Sodium persulfate (27 F.R. 12911)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Sodium ricinoleate (27 F.R. 12911)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Sodium-bis-tridecyl sulfosuccinate (27 F.R. 12911).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
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Sorbitan trioleate (27 F.R. 12911)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Styrene-methacrylic copolymer mixed or without copolymers of styrene-maleic anhydride (27 F.R. 12912).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Sulfonated vegetable oils, potassium salt (27 F.R. 12912).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *

Product	Specified uses or restrictions	Effective date of statute extended to—
Tall oil (27 F.R. 12912)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Titanium dioxide (27 F.R. 12912)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Vinylidene chloride-acrylate fumarate copolymer (27 F.R. 12913).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Vinylidene chloride-methyl acrylate-vinylsulfonic acid acrylamide copolymer (27 F.R. 12913).	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Xylene (27 F.R. 12913)	Component of coating of paper and paperboard for food packaging.	July 1, 1963
* * *	* * *	* * *
Zinc octoate (27 F.R. 12913)	Component of coating of paper and paperboard for food packaging.	July 1, 1963

Notice and public procedure and delayed effective date are not necessary prerequisites to the promulgation of this order, and I so find, since extensions of time, under certain conditions, for the effective date of the food additive amendment to the Federal Food, Drug, and Cosmetic Act were contemplated by Public Law 87–19 as a relief of restrictions on the food-processing industry.

Effective date. This order shall become effective on the date of signature.

(Sec. 6(c), Public Law 85–929, as amended sec. 2, Public Law 87–19; 72 Stat. 1788, as amended 75 Stat. 42; 21 U.S.C., note under sec 342)

Dated: April 12, 1963.

GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F.R. Doc. 63–4184; Filed, Apr. 22, 1963; 8:45 a.m.]

Title 48—TRADE AGREEMENTS AND ADJUSTMENT ASSISTANCE PROGRAMS

NOTE: A new Title 48, captioned as set forth above, is hereby established in the Code of Federal Regulations.

This title will set out Presidential actions taken with respect to the trade agreements program and the adjustment assistance program and will establish procedures related to the operation of such programs. The trade agreements program consists of the negotiation and administration of trade agreements entered into by the President, and especially under section 350 of the Tariff Act of 1930, as amended, and the Trade Expansion Act of 1962. The adjustment assistance program consists of the furnishing of financial and other assistance to firms and workers affected by increased imports due to tariff concessions granted under trade agreements.

In particular, this title will contain the text of all Presidential proclamations under the Trade Expansion Act of 1962 affecting United States tariffs and other import restrictions. This title also will establish the procedures whereby interested parties may make oral and written presentations to the Office of the Special Representative for Trade Negotiations on proposed trade agreements, and whereby firms and workers may, after investigation by the U.S. Tariff Commission, petition for adjustment assistance to the Department of Commerce and the Department of Labor, respectively.

The procedures of the U.S. Tariff Commission under the Trade Expansion Act of 1962, with regard to negotiation of trade agreements and the provision of adjustment assistance, are set out in Parts 201, 205, 206, and 207 of Title 19 of the Code of Federal Regulations.

ESTABLISHMENT OF CHAPTER COVERING PRESIDENTIAL DOCUMENTS

Pursuant to the final sentence of E.O. 11106 (28 F.R. 3911) a new Chapter I, Subchapter A, is established in Title 48, setting for the codified text of E.O. 11075 as amended and reading as follows:

Chapter I—Presidential Documents

SUBCHAPTER A—ORGANIC ORDERS

PART 1—ADMINISTATION OF THE TRADE AGREEMENTS PROGRAM

Sec.
1.1 Definitions.
1.2 Office of Special Representative.
1.3 Functions of Special Representative.
1.4 Trade Expansion Act Advisory Committee.
1.5 Tariff Commission.
1.6 Secretary of the Treasury.
1.7 Secretary of Commerce.
1.8 Secretary of Labor.
1.9 Committees and task forces.
1.10 Threat of impairment of national security.
1.11 Redelegation.
1.12 References.
1.13 Prior bodies and orders.

DERIVATION: The text of the sections in this part are derived from the text of E.O. 11075 (28 F.R. 473), as amended. Amendments are noted following sections affected.

§ 1.1 Definitions.

(a) As used in this part the term "the Act" means the Trade Expansion Act of 1962 (Public Law 87–794, approved October 11, 1962), exclusive, however, of chapters 2, 3, and 5 of title III thereof.

(b) As used in this part the term "the trade agreements program" includes all activities consisting of, or related to, the negotiation or administration of trade agreements (other than treaties) concluded pursuant to the authority vested in the President by the Constitution, section 350 of the Tariff Act of 1930, as amended, or the Act.

AMENDMENT NOTE: In § 1.1 the section heading was amended, the text was designated paragraph (a), and paragraph (b) was added, E.O. 11106, 28 F.R. 3911, Apr. 20, 1963.

§ 1.2 Office of Special Representative.

(a) There is hereby established in the Executive Office of the President an agency which shall be known as the Office of the Special Representative for Trade Negotiations.

(b) There shall be at the head of the said Office the Special Representative for Trade Negotiations provided for in section 241 of the Act (hereinafter referred to as the Special Representative), who shall be directly responsible to the President.

(c) There shall be in the said Office a Deputy Special Representative for Trade Negotiations with the rank of Ambassador, whose principal functions shall be to conduct negotiations under title II of the Act, and who shall perform such additional duties as the Special Representative may direct.

AMENDMENT NOTE: § 1.2 was revised and deemed to have become effective Jan. 15, 1963, E.O. 11106, 28 F.R. 3911, Apr. 20, 1963.

§ 1.3 Functions of Special Representative.

(a) The Special Representative shall have the functions conferred upon him by the Act, the functions delegated or otherwise assigned to him by the provisions of this part, and such other functions as the President may from time to time direct.

(b) The Special Representative shall advise and assist the President in the administration of, and facilitate the carrying out of, the trade agreements program. In addition, the Special Representative shall advise the President with respect to nontariff barriers to international trade, international commodity agreements, and other matters which are related to the trade agreements program.

(c) As he may deem to be necessary for the proper administration and execution of the trade agreements program and of this part, the Special Representative (1) shall draw upon the resources of Federal agencies, and of bodies established by or under the provisions of this part, in connection with the performance of his functions, and (2) except as may be otherwise provided by this part or by law, may assign to the head of any such agency or body the performance of duties incidental to the administration of the trade agreements program.

(d) In connection with the performance of his functions the Special Representative shall, as appropriate and practicable, consult with Federal agencies.

(e) The Special Representative shall from time to time furnish the President lists of articles proposed for publication and transmittal to the Tariff Commission by the President under the provisions of section 221(a) of the Act.

(f) The functions conferred upon the President by section 222 of the Act are hereby delegated to the Special Representative.

(g) The functions conferred upon the President by the first sentence of section 223 of the Act are hereby delegated to the Special Representative. The Special Representative is hereby designated to perform the functions prescribed by the second sentence of that section.

(h) After the President has entered into a trade agreement which provides for any new tariff concession, the Special Representative shall submit to the President, for transmission by him to each House of Congress, copies of such trade agreement, together with a draft of the statement relating thereto provided for in section 226 of the Act. In addition, the Special Representative shall transmit to each House of Congress copies of agreements supplementary to trade agreements which do not provide for any new tariff concession, and of such other documents relating to the trade agreements program as he considers appropriate, together with a brief statement describing each such supplementary agreement or other document.

(i) The Special Representative shall make arrangements under which the committee established by § 1.4 of this part shall provide for public hearings in pursuance of the second sentence of section 252(d) of the Act. The functions conferred upon the President by the first sentence of that section are hereby delegated to the Special Representative.

(j) Advice furnished by the Secretaries of Commerce and Labor under section 351(c) of the Act shall be transmitted by the respective secretaries to the President through the Special Representative.

(k) Subject to available financing, the Special Representative may employ such personnel as may be necessary to assist him in the performance of his functions.

(l) The Special Representative shall prepare or have prepared for consideration by the President, in a form suitable for inclusion in title 48 of the Code of Federal Regulations, any proclamation which relates wholly or primarily to the trade agreements program. Any such proclamation shall be subject to the provisions of Executive Order No. 11030 of June 19, 1962 (27 F.R. 5847), except that such proclamation need not be submitted for approval to the Director of the Bureau of the Budget as provided in sections 2 (a) and (b) of that order but may be transmitted directly to the Attorney General for his consideration as to both form and legality.

AMENDMENT NOTE: In § 1.3, paragraph (b) was revised, paragraph (c) was amended, paragraph (i) was deleted, paragraph (h) was redesignated paragraph (i), and new paragraphs (h) and (l) were added, E.O. 11106, 28 F.R. 3911, Apr. 20, 1963.

§ 1.4 Trade Expansion Act Advisory Committee.

(a) There is hereby established the Trade Expansion Act Advisory Committee (hereinafter referred to as the Committee). The Committee shall be composed of the Special Representative, who shall be its chairman, and the following other members: the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of Labor.

(b) Each Secretary referred to in paragraph (a) of this section may designate an official from his department, who is in status not below that of an Assistant Secretary of an executive or military department, to serve as a member of the Committee in lieu of the designating Secretary when the latter is unable to attend any meeting of the Committee. In corresponding circumstances the Special Representative may designate the Deputy Special Representative for Trade Negotiations, for a corresponding purpose. Except for his accountability to his designating authority, any person while so serving shall have in all respects the same status, as a member of the Committee, as do other members of the Committee.

(c) The Special Representative may from time to time designate any member of the Committee (including any person serving as a member of the Committee under the provisions of paragraph (b) of this section) to act as chairman of the Committee when the Special Representative is unable to attend any meeting of the Committee.

(d) The Committee shall have the functions conferred by the Act upon the interagency organization referred to in section 242 of the Act and shall also perform such other functions as the President may from time to time direct.

(e) The recommendations made by the Committee under section 242(b)(1) of the Act, as approved or modified by the President, shall guide the administration of the trade agreements program.

(f) Before making recommendations to the President under section 242(b)(2) of the Act, the Committee shall, through the Special Representative, request the advice of the Adjustment Assistance Advisory Board, created by the provisions of section 361 of the Trade Expansion Act of 1962, concerning the feasibility of adjustment assistance to workers and firms.

(g) The functions conferred upon the President by the second sentence of section 242(c) of the Act, to the extent that they are in respect of procedures, are hereby delegated to the Committee.

AMENDMENT NOTE: In § 1.4, former paragraph (f) was designated paragraph (g) and a new paragraph (f) was added, E.O. 11106, 28 F.R. 3911, Apr. 20, 1963.

§ 1.5 Tariff Commission.

(a) The United States Tariff Commission is requested to determine the ad valorem equivalent, and, for this purpose, the authority conferred upon the President by the provisions of section 256(7) of the Act is hereby delegated to the Commission.

(b) Reports required to be made, and transcripts of hearings and briefs required to be furnished, by the Tariff Commission under the provisions of section 301(f)(1) of the Act (1) shall, in respect of investigations made by it under section 301(c)(1) of the Act, be transmitted by the Commission to the President through the Secretary of Commerce, and (2) shall, in respect of investigations made by it under section 301(c)(2) of the Act, be transmitted to the President through the Secretary of Labor.

(c) All other reports, findings, advice, hearing transcripts, briefs, and information which, under the terms of the Act, the Tariff Commission is required to furnish, report, or otherwise deliver to the President shall be transmitted to him through the Special Representative.

(d) Advice of the Tariff Commission under section 221(b) of the Act shall not be released or disclosed in any manner or to any extent not specifically authorized by the President or by the Special Representative.

§ 1.6 Secretary of the Treasury.

There is herby delegated to the Secretary of the Treasury the authority to issue regulations, conferred upon the President by the provisions of section 352(b) of the Act.

§ 1.7 Secretary of Commerce.

The authority to certify, conferred upon the President by the provisions of Section 302(c) of the Act, to the extent that such authority is in respect of firms, is hereby delegated to the Secretary of Commerce.

§ 1.8 Secretary of Labor.

There are hereby delegated to the Secretary of Labor the authority to certify, conferred upon the President by the provisions of section 302(c) of the Act, to the extent that such authority is in respect of groups of workers, and the authority conferred upon the President by the provisions of section 302(e) of the Act.

§ 1.9 Committees and task forces.

To perform assigned duties in connection with functions under the Act or this part and as may be permitted by law, the Special Representative may from time to time cause to be constituted appropriate committees or task forces made up in whole or in part of representatives or employees of interested agencies, of representatives of the committee established by the provisions of § 1.4 of this part, or of other persons. Assignments of personnel from agencies, in connection with the foregoing, and assignments of duties to them, shall be made with the consent of the respective heads of agencies concerned.

AMENDMENT NOTE: § 1.9 was amended, E.O. 11106, 28 F.R. 3911, Apr. 20, 1963.

§ 1.10 Threat of impairment of national security.

Executive Order No. 11051 of September 27, 1962, is hereby amended by striking from section 404(a) thereof the text "Section 2 of the Act of July 1, 1954 (68 Stat. 360; 19 U.S.C. 1352a)" and inserting in lieu of the stricken text the following: "Section 232 of the Trade Expansion Act of 1962".

§ 1.11 Redelegation.

Delegations of authority made by this part to the Special Representative, the Secretary of Commerce, and the Secretary of Labor, and other assignments of authority made by this part to the Special Representative, shall be deemed to include the power of successive redelegation.

AMENDMENT NOTE: Former § 1.11 was designated § 1.12 and a new § 1.11 was added, E.O. 11106, 28 F.R. 3911, Apr. 20, 1963.

§ 1.12 References.

Except as may for any reason be inappropriate, references in this part to any other Executive order or to the Act or to the Trade Expansion Act of 1962 or to any other statute, and references in this part or in any other Executive order to this part, shall be deemed to include references thereto, respectively, as amended from time to time.

AMENDMENT NOTE: Former §§ 1.11 and 1.12 were designated §§ 1.12 and 1.13 respectively, E.O. 11106, 28 F.R. 3911, Apr. 20, 1963.

§ 1.13 Prior bodies and orders.

(a) The pending business, and the records and property, of the Trade Policy Committee, Trade Agreements Committee, and Committee for Reciprocity Information (now existing under orders referred to in paragraph (b) of this section) shall be completed or transferred as the Special Representative, consonant with law and with the provisions of this part, shall direct; and the said committees are abolished effective as of the thirtieth day following the date of E.O. 11075 of January 15, 1963.

(b) Subject to the foregoing provisions of this section, the following are hereby superseded and revoked:

(1) Executive Order No. 10082 of October 5, 1949.

(2) Executive Order No. 10170 of October 12, 1950.

(3) Executive Order No. 10401 of October 14, 1952.

(4) Executive Order No. 10741 of November 25, 1957.

AMENDMENT NOTE: Former § 1.12 was redesignated § 1.13, E.O. 11106, 28 F.R. 3911, Apr. 20, 1963.

Chapter II—Office of the Special Representative for Trade Negotiations

[Directive No. 1]

ADDITION OF CHAPTER

In Title 48 of the Code of Federal Regulations a new Chapter II is added to read as follows:

PART 201—CREATION, ORGANIZATION, AND FUNCTIONS

Sec.
201.0 Scope and purpose.
201.1 Creation and location.
201.2 Organization.
201.3 Functions.

AUTHORITY: §§ 201.0 to 201.3 issued under sec. 401, 76 Stat. 902; 19 U.S.C. 1802. E.O. 11075, as amended (Part 1 of this title).

§ 201.0 Scope and purpose.

This chapter sets out the basic terms of reference of the Office of the Special Representative for Trade Negotiations and the procedures whereby it carries out its general responsibilities under the trade agreements program. One of the primary purposes of this chapter is to inform the public of the unit in the Office known as the Trade Information Committee, the function of which is to afford an opportunity to interested parties to present oral and written statements concerning the trade agreements program and related matters.

§ 201.1 Creation and location.

(a) The Office of the Special Representative for Trade Negotiations is established as an agency in the Executive Office of the President by § 1.2 of this title.

(b) The Office of the Special Representative for Trade Negotiations is located in the Executive Office Building, 17th Street and Pennsylvania Avenue NW., Washington 25, D.C.

§ 201.2 Organization.

(a) The Office of the Special Representative for Trade Negotiations is headed by the Special Representative for Trade Negotiations provided for in section 241 of the Trade Expansion Act of 1962 (76 Stat. 878; 19 U.S.C. 1871), who is directly responsible to the President. In addition, the Office consists of the Deputy Special Representative for Trade Negotiations provided for in § 1.2 of this title, and a professional staff.

(b) Established by, and under the direction and control of, the Special Representative for Trade Negotiations are three interagency committees, the Trade Executive Committee, the Trade Staff Committee, and the Trade Information Committee, provided for in part 202 of this chapter.

§ 201.3 Functions.

(a) The Special Representative for Trade Negotiations (1) advises and assists the President in the administration of, and facilitates the carrying out of, the trade agreements program, and (2) advises the President with respect to nontariff barriers to international trade, international commodity agreements, and other matters which are related to the trade agreements program, as provided in § 1.3 of this title.

(b) The Special Representative for Trade Negotiations is Chairman of the Trade Expansion Act Advisory Committee established by § 1.4 of this title.

PART 202—ESTABLISHMENT AND OPERATION OF COMMITTEES

Sec.
202.1 Trade Executive Committee.
202.2 Trade Staff Committee.
202.3 Trade Information Committee.
202.4 Participation by other agencies.
202.5 Transfers.

AUTHORITY: §§ 202.1 to 202.5 issued under sec. 401, 76 Stat. 902; 19 U.S.C. 1802. §§ 202.1 to 202.4 also issued under secs. 9 and 11 of E.O. 11075, as amended (§§ 1.9 and 1.11 of this title). Additional authority is also cited in parentheses following provisions affected.

§ 202.1 Trade Executive Committee.

(a) There is hereby established the Trade Executive Committee, which shall consist of the Deputy Special Representative for Trade Negotiations, as chairman, and of officials, who are each in status not below that of an assistant Secretary, designated from their respective agencies by the Secretaries of Agriculture, Commerce, Defense, Interior, Labor, State, and Treasury. The Special Representative for Trade Negotiations and each Secretary may designate from his respective agency an official, who is in status not below that of a Deputy Assistant Secretary, to serve as a member of the Trade Executive Committee in lieu of the regular member when the latter is unable to attend any meeting of the Committee.

(b) The Trade Executive Committee shall—

(1) Plan, direct, and coordinate interagency activities concerning the trade agreements program and related matters;

(2) Recommend policies and actions, and transmit appropriate materials, to the Special Representative for Trade Negotiations concerning the trade agreements program and related matters, or, when appropriate, approve such policies and actions;

(3) Supervise and direct the activities of the Trade Staff Committee and the Trade Information Committee, established by §§ 202.2 and 202.3, respectively; and

(4) Perform such other functions as the Special Representative for Trade Negotiations may from time to time determine.

§ 202.2 Trade Staff Committee.

(a) There is hereby established the Trade Staff Committee, which shall consist of a chairman designated from his Office by the Special Representative for Trade Negotiations and of officials designated from their respective agencies by the Secretaries of Agriculture, Commerce, Defense, Interior, Labor, State, and Treasury, and by the Chairman of the Tariff Commission. The Special Representative for Trade Negotiations, each Secretary, and the Chairman of the Tariff Commission may designate from his respective agency an official to serve as a member of the Trade Staff Committee in lieu of the regular member when the latter is unable to attend any meeting of the Committee. The official from the Tariff Commission will be a nonvoting member of the Trade Staff Committee, and will not participate in the discussion of any policy matter or in the consideration of any report submitted by the Tariff Commission.

(b) The Trade Staff Committee shall—

(1) Obtain information and advice from agencies and other sources concerning any proposed trade agreement, and furnish summaries of such information and advice, together with recommendations of action with respect thereto, to the Trade Executive Committee;

(Sec. 222, 76 Stat. 875; 19 U.S.C. 1842)

(2) Review summaries of information concerning any proposed trade agreement furnished by the Trade Informa-

tion Committee, and transmit such summaries, together with recommendations of action with respect thereto, to the Trade Executive Committee;

(3) Review summaries of information concerning foreign import restrictions furnished by the Trade Information Committee, and transmit recommendations of action with respect thereto, through the Trade Executive Committee to the Trade Expansion Act Advisory Committee established by § 1.4 of this title;

(4) Review reports concerning tariff adjustment submitted by the Tariff Commission, and transmit such reports, together with recommendations of action with respect thereto, through the Trade Executive Committee to the Trade Expansion Act Advisory Committee;

(5) Review all materials required by § 1.5 of this title to be furnished by the Tariff Commission to the President through the Special Representative for Trade Negotiations, and transmit such materials, together with recommendations of action with respect thereto, to the Trade Executive Committee, except as provided in subparagraph (4) of this paragraph;

(6) Recommend policies and actions to the Trade Executive Committee concerning the trade agreements program and related matters, or, when appropriate, approve such policies and actions;

(7) Keep regularly informed of the operation and effect of the trade agreements program and related matters; and

(8) Perform such other functions as the Trade Executive Committee may from time to time determine.

§ 202.3 Trade Information Committee.

(a) There is hereby established the Trade Information Committee which shall consist of a chairman designated from his Office by the Special Representative for Trade Negotiations, and of officials designated from their respective agencies by the Secretaries of Agriculture, Commerce, Defense, Interior, Labor, State, and Treasury. The Special Representative for Trade Negotiations and each Secretary may designate from his respective agency an official to serve as a member of the Trade Information Committee in lieu of the regular member when the latter is unable to attend any meeting of the Committee.

(b) The Trade Information Committee shall—

(1) Provide an opportunity, by the holding of public hearings and by such other means as it deems appropriate, for any interested party to present an oral or written statement concerning any proposed trade agreement, and furnish summaries of such hearings and other pertinent information so received to the Trade Staff Committee;

(Sec. 223, 76 Stat. 875; 19 U.S.C. 1843)

(2) Provide an opportunity, by the holding of public hearings, upon request by any interested party, and by such other means as it deems appropriate, for any interested party to present an oral or written statement concerning foreign import restrictions, and furnish summaries of such hearings and other pertinent information so received to the Trade Staff Committee and the Trade Expansion Act Advisory Committee;

(Sec. 252(d), 76 Stat. 880; 19 U.S.C. 1882(d))

(3) Provide an opportunity, by such means as it deems appropriate, for any interested party to present an oral or written statement concerning any other aspect of the trade agreements program and related matters, and furnish summaries of pertinent information so received to the Trade Staff Committee;

(4) Issue regulations governing the conduct of its public hearings and the performance of such of its other functions as it deems necessary; and

(Secs. 223, 252(d), 76 Stat. 875, 880; 19 U.S.C. 1843, 1882(d))

(5) Perform such other functions as the Trade Executive Committee may from time to time determine.

§ 202.4 Participation by other agencies.

Each committee established by this part may invite the participation in its activities of any other agency not regularly represented thereon, when matters of interest to such agency are under consideration.

§ 202.5 Transfers.

The business pending as of the date of the abolition, and the records and property, of the Trade Policy Committee, the Interdepartmental Committee on Trade Agreements, and the Committee for Reciprocity Information are hereby transferred to the Trade Expansion Act Advisory Committee, the Trade Staff Committee, and the Trade Information Committee, respectively.

(§ 1.13 of this title)

Effective date. This chapter shall become effective on the date of its publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on April 20, 1963.

CHRISTIAN A. HERTER,
Special Representative for Trade Negotiations.

[F.R. Doc. 63-4381; Filed, Apr. 22 1963; 10:22 a.m.]

Title 33—NAVIGATION AND NAVIGABLE WATERS

Chapter IV—Saint Lawrence Seaway Development Corporation

PART 402—TARIFF OF TOLLS

Schedule for Transit of Seaway

The St. Lawrence Seaway Tariff of Tolls, issued jointly by the Saint Lawrence Seaway Development Corporation and the St. Lawrence Seaway Authority of Canada in 1959 (24 F.R. 1925–1926), is hereby amended to reflect the suspension of tolls for transit of the Welland Canal, for purposes of public information and codification. The suspension was made effective July 18, 1962, with approval by the Governments of Canada and the United States in the form of an exchange of notes as of July 13, 1962.

Paragraph (a) of § 402.6 is amended to read as follows:

§ 402.6 Schedule of tolls.

(a) For transit of the Seaway:

SCHEDULE

	Tolls	
	Montreal to or from Lake Ontario	Lake Ontario to or from Lake Erie (Welland Canal) [1]
1. For transit of the Seaway, a composite toll, compromising:		
(1) A charge per gross registered ton, according to national registry of the vessel, applicable whether the vessel is wholly or partially laden or is in ballast	$0.04	$0.02
(2) A charge per ton of cargo, as certified on ship's manifest or other document, as follows:		
Bulk cargo	.40	.02
General cargo	.90	.05
(3) A charge per passenger	3.50	4.00
(4) Minimum charges, subject to the provisions of subitems (1), (2) and (3) above:		
Pleasure craft	14.00	16.00
Other vessels	28.00	32.00

[1] Tolls for transit of the Welland Canal were suspended effective July 18, 1962. This column of the Schedule is inapplicable at the present time.

(68 Stat. 92–96, 33 U.S.C. 981–990; Agreement between the Government of United States and Canada as of July 16, 1962)

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION,
[SEAL] JOSEPH H. MCCANN,
Administrator.

[F.R. Doc. 63-4311; Filed, Apr. 22, 1963; 8:49 a.m.]

Proposed Rule Making

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR Part 1]

INCOME TAX

Annuities and Other Matters

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P, Washington 25, D.C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (63A Stat. 917; 26 U.S.C. 7805).

[SEAL] MORTIMER M. CAPLIN,
Commissioner of Internal Revenue.

In order to conform the Income Tax Regulations (26 CFR Part 1) under sections 72(f) and 911 of the Internal Revenue Code of 1954 to section 11 of the Revenue Act of 1962 (76 Stat. 1003), such regulations are amended as follows:

PARAGRAPH 1. Section 1.72 is amended by revising section 72(f) and by adding a historical note. These amended and added provisions read as follows:

§ 1.72 Statutory provisions; annuities; certain proceeds of endowment and life insurance contracts.

SEC. 72. *Annuities; certain proceeds of endowment and life insurance contracts.* * * *

(f) *Special rules for computing employees' contributions.* In computing, for purposes of subsection (c)(1)(A), the aggregate amount of premiums or other consideration paid for the contract, for purposes of subsection (d)(1), the consideration for the contract contributed by the employee, and for purposes of subsection (e)(1)(B), the aggregate premiums or other consideration paid, amounts contributed by the employer shall be included, but only to the extent that—

(1) Such amounts were includible in the gross income of the employee under this subtitle or prior income tax laws; or

(2) If such amounts had been paid directly to the employee at the time they were contributed, they would not have been includible in the gross income of the employee under the law applicable at the time of such contribution.

Paragraph (2) shall not apply to amounts which were contributed by the employer after December 31, 1962, and which would not have been includible in the gross income of the employee by reason of the application of section 911 if such amounts had been paid directly to the employee at the time of contribution. The preceding sentence shall not apply to amounts which were contributed by the employer, as determined under regulations prescribed by the Secretary or his delegate, to provide pension or annuity credits, to the extent such credits are attributable to services performed before January 1, 1963, and are provided pursuant to pension or annuity plan provisions in existence on March 12, 1962, and on that date applicable to such services.

[Sec. 72 as amended by sec. 11(b), Rev. Act 1962 (76 Stat. 1005)]

PAR. 2. Paragraph (a) of § 1.72–8 is amended to read as follows:

§ 1.72–8 Effect of certain employer contributions with respect to premiums or other consideration paid or contributed by an employee.

(a) *Contributions in the nature of compensation*—(1) *Amounts includible in gross income of employee under subtitle A of the Code or prior income tax laws.* Section 72(f) provides that for the purposes of section 72 (c), (d), and (e), amounts contributed by an employer for the benefit of an employee or his beneficiaries shall constitute consideration paid or contributed by the employee to the extent that such amounts were includible in the gross income of the employee under subtitle A of the Code or prior income tax laws. Amounts to which this paragraph applies include, for example, contributions made by an employer to or under a trust or plan which fails to qualify under the provisions of section 401(a), provided that the employee's rights to such contributions are nonforfeitable at the time the contributions are made. See sections 402(b) and 403(b) and the regulations thereunder. This subparagraph also applies to premiums paid by an employer (other than premiums paid on behalf of an owner-employee) for life insurance protection for an employee if such premiums are includible in the gross income of the employee when paid. See § 1.72–16. However, such premiums shall only be considered as premiums and other consideration paid by the employee with respect to any benefits attributable to the contract providing the life insurance protection. See § 1.72–16.

(2) *Amounts not includible in gross income of employee at time contributed if paid directly to employee at that time.* Except as provided in subparagraph (3) of this paragraph, section 72(f) provides that for the purposes of section 72 (c), (d), and (e), amounts contributed by an employer for the benefit of an employee or his beneficiaries shall constitute consideration paid or contributed by the employee to the extent that such amounts would not have been includible in the gross income of the employee at the time contributed had they been paid directly to the employee at that time. Amounts to which this subparagraph applies include, for example, contributions made by an employer after December 31, 1950, and before January 1, 1963, if made on account of foreign services rendered by an employee during a period in which the employee qualified as a bona fide resident of a foreign country under section 911(a) of the Internal Revenue Code of 1954, or under section 116(a) of the Internal Revenue Code of 1939. In such a case, it would be immaterial whether such contributions were made under a qualified plan or otherwise. See subparagraph (4) of this paragraph for rules governing the determination of the amount of employer foreign service contributions to which this subparagraph applies. On the other hand, if contributions are made by an employer to a qualified plan at a time when compensation paid directly to the employee concerned with respect to the same services rendered would have been includible in the gross income of the employee, such as in the case of an employee of a State government where contributions are made in 1955 with respect to services rendered by the employee prior to the year 1939, this subparagraph does not apply to such contributions.

(3) *Limitation*—(i) *In general.* Except as provided in subdivision (ii) of this subparagraph, the provisions of subparagraph (2) of this paragraph shall not apply to amounts which were contributed by the employer after December 31, 1962, and which would not have been includible in the gross income of the employee by reason of the application of section 911, if such amounts had been paid directly to the employee at the time of contribution. Employer contributions attributable to foreign services performed by the employee after December 31, 1962, do not constitute, for purposes of section 72 (c), (d), and (e), consideration paid or contributed by the employee.

(ii) *Exception.* The provisions of subdivision (i) of this subparagraph shall not apply to amounts which were contributed by the employer to provide pension or annuity credits (determined in accordance with the provisions of subparagraph (4) of this paragraph) to the extent such credits are—

(*a*) Attributable to foreign services performed before January 1, 1963, with respect to which the employee qualified for the benefits of section 911(a) (or corresponding provisions of prior revenue laws), and

(*b*) Provided pursuant to pension or annuity plan provisions in existence on March 12, 1962, and on that date applicable to such services.

Amounts described in this subdivision constitute, for purposes of section 72 (c), (d), and (e), consideration paid or contributed by the employee even though such amounts are contributed by the employer after December 31, 1962.

(4) *Determination of employer foreign service contributions which constitute consideration paid or contributed by employee.* For purposes of subparagraphs (2) and (3) (ii) of this paragraph, employer foreign service contributions which constitute, for purposes of section 72 (c), (d), and (e), consideration paid or contributed by the employee shall be determined as follows:

(i) *Treatment of identifiable contributions.* If, under the terms of the pension or annuity plan under which employer contributions were made, such contributions may be identified as—

(*a*) Attributable to foreign services performed before January 1, 1963, with respect to which the employee qualified for the benefits of section 911(a) (or corresponding provisions of prior revenue laws), and

(*b*) Made under pension or annuity plan provisions in existence on March 12, 1962, which were applicable to the services referred to in (*a*) of this subdivision on that date,

the amount of employer contributions so identified shall be considered paid or contributed by the employee.

(ii) *Alternative rule for unidentifiable contributions.* If employer contributions may not be identified in the manner described in subdivision (i) of this subparagraph, the amount of employer contributions considered paid or contributed by the employee shall be an amount which bears the same ratio to total employer contributions under the pension or annuity plan as the employee's creditable compensation (as defined in subdivision (iii) of this subparagraph) attributable to foreign services performed before January 1, 1963, with respect to which the employee qualified for the benefits of section 911(a) (or corresponding provisions of prior revenue laws) bears to the employee's total creditable compensation.

(iii) *"Creditable compensation" defined.* For purposes of this subparagraph, the term "creditable compensation" shall mean the employee's compensation with respect to which pension or annuity credits are provided under the employer's pension or annuity plan without regard to when such compensation is paid.

(5) *Amounts not includible in gross income of employee under subtitle A of the Code or prior income tax laws.* Amounts contributed by an employer which were not includible in the gross income of the employee under subtitle A of the Code or prior income tax laws, but which would have been includible therein had they been paid directly to the employee, do not constitute consideration paid or contributed by the employee for the purposes of section 72. For example, contributions made by an employer under a qualified employees' trust or plan, which contributions would have been includible in the gross income of the employee had such contributions been paid to him directly as compensation, do not constitute consideration paid or contributed by the employee. Accordingly, the aggregate amount of premiums or other consideration paid or contributed by an employee, insofar as compensatory employer contributions are concerned, consists solely of the (i) sum of all amounts actually contributed by the employee, plus (ii) contributions in the nature of compensation which are deemed to be paid or contributed by the employee under this paragraph.

PAR. 3. Section 1.911 is amended by revising section 911 and by adding a historical note. These amended and added provisions read as follows:

§ 1.911 Statutory provisions; earned income from sources without the United States.

SEC. 911. *Earned income from sources without the United States*—(a) *General rule.* The following items shall not be included in gross income and shall be exempt from taxation under this subtitle:

(1) *Bona fide resident of foreign country.* In the case of an individual citizen of the United States who establishes to the satisfaction of the Secretary or his delegate that he has been a bona fide resident of a foreign country or countries for an uninterrupted period which includes an entire taxable year, amounts received from sources without the United States (except amounts paid by the United States or any agency thereof) which constitute earned income attributable to services performed during such uninterrupted period. The amount excluded under this paragraph for any taxable year shall be computed by applying the special rules contained in subsection (c).

(2) *Presence in foreign country for 17 months.* In the case of an individual citizen of the United States who during any period of 18 consecutive months is present in a foreign country or countries during at least 510 full days in such period, amounts received from sources without the United States (except amounts paid by the United States or any agency thereof) which constitute earned income attributable to services performed during such 18-month period. The amount excluded under this paragraph for any taxable year shall be computed by applying the special rules contained in subsection (c). An individual shall not be allowed, as a deduction from his gross income, any deductions (other than those allowed by section 151, relating to personal exemptions) properly allocable to or chargeable against amounts excluded from gross income under this subsection.

(b) *Definition of earned income.* For purposes of this section, the term "earned income" means wages, salaries, or professional fees, and other amounts received as compensation for personal services actually rendered, but does not include that part of the compensation derived by the taxpayer for personal services rendered by him to a corporation which represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered. In the case of a taxpayer engaged in a trade or business in which both personal services and capital are material income-producing factors, under regulations prescribed by the Secretary or his delegate, a reasonable allowance as compensation for the personal services rendered by the taxpayer, not in excess of 30 percent of his share of the net profits of such trade or business, shall be considered as earned income.

(c) *Special rules.* For purposes of computing the amount excludable under subsection (a), the following rules shall apply:

(1) *Limitations on amount of exclusion.* The amount excluded from the gross income of an individual under subsection (a) for any taxable year shall not exceed an amount which shall be computed on a daily basis at an annual rate of—

(A) Except as provided in subparagraph (B), $20,000 in the case of an individual who qualifies under subsection (a), or

(B) $35,000 in the case of an individual who qualifies under subsection (a)(1), but only with respect to that portion of such taxable year occurring after such individual has been a bona fide resident of a foreign country or countries for an uninterrupted period of 3 consecutive years.

(2) *Attribution to year in which services are performed.* For purposes of applying paragraph (1), amounts received shall be considered received in the taxable year in which the services to which the amounts are attributable are performed.

(3) *Treatment of community income.* In applying paragraph (1) with respect to amounts received for services performed by a husband or wife which are community income under community property laws applicable to such income, the aggregate amount excludable under subsection (a) from the gross income of such husband and wife shall equal the amount which would be excludable if such amounts did not constitute such community income.

(4) *Requirement as to time of receipt.* No amount received after the close of the taxable year following the taxable year in which the services to which the amounts are attributable are performed may be excluded under subsection (a).

(5) *Certain amounts not excludable.* No amount—

(A) Received as a pension or annuity, or

(B) Included in gross income by reason of section 402(b) (relating to taxability of beneficiary of non-exempt trust), section 403(c) (relating to taxability of beneficiary under a non-qualified annuity), or section 403(d) (relating to taxability of beneficiary under certain forfeitable contracts purchased by exempt organizations),

may be excluded under subsection (a).

(6) *Test of bona fide residence.* A statement by an individual who has earned income from sources within a foreign country to the authorities of that country that he is not a resident of that country, if he is held not subject as a resident of that country to the income tax of that country by its authorities with respect to such earnings, shall be conclusive evidence with respect to such earnings that he is not a bona fide resident of that country for purposes of subsection (a)(1).

(7) *Certain noncash remuneration.* If an individual who qualifies under subsection (a)(1) receives compensation from sources without the United States (except from the United States or any agency thereof) in the form of the right to use property or facilities, the limitation under paragraph (1) applicable with respect to such individual—

(A) For a taxable year ending in 1963, shall be increased by an amount equal to the amount of such compensation so received during such taxable year;

(B) For a taxable year ending in 1964, shall be increased by an amount equal to two-thirds of such compensation so received during such taxable year; and

(C) For a taxable year ending in 1965, shall be increased by an amount equal to one-third of such compensation so received during such taxable year.

(d) *Cross references.* For administrative and penal provisions relating to the exclusion provided for in this section, see sections 6001, 6011, 6012(c), and the other provisions of subtitle F.

[Sec. 911 as amended by sec. 11(a), Rev. Act 1962 (76 Stat. 1003)]

PAR. 4. Section 1.911–1 is amended by revising the heading, by revising paragraphs (a) (5) and (8) and (b) (4), and by adding a new paragraph (c). The amended and added provisions read as follows:

§ 1.911–1 Earned income from sources without the United States attributable to services performed before 1963.

(a) *Bona fide resident of a foreign country.* * * *

(5) *Earned income from business in which capital is material.* In the case of a taxpayer engaged in a trade or business (other than in corporate form) in which both personal services and capital are material income-producing factors, a reasonable allowance as compensation for the personal services actually rendered by the taxpayer shall be considered earned income, but the total amount which shall be treated as the earned income of the taxpayer from such a trade or business shall, in no case, exceed 30 percent of his share of the net profits of such trade or business.

* * * * *

(8) *Declaration of estimated tax.* In estimating his gross income for the purpose of making a declaration of estimated tax for any taxable year, a citizen of the United States is not required to take into account income which he believes will be excluded from gross income under the provisions of section 911(a)(1) and the regulations thereunder. However, if the actual amount of the exclusion is less than the amount anticipated, the citizen may be subject to an addition to tax under the provisions of section 6654 and the regulations thereunder.

* * * * *

(b) *Presence in foreign country.* * * *

(4) *Declaration of estimated tax.* In estimating his gross income for the purpose of making a declaration of estimated tax for any taxable year, a citizen of the United States is not required to take into account income which he believes will be excluded from gross income under the provisions of section 911(a)(2) and the regulations thereunder. However, if the actual amount of the exclusion is less than the amount anticipated, the citizen may be subject to an addition to tax under the provisions of section 6654 and the regulations thereunder.

(c) *Applicability of section*—(1) *In general.* The rules contained in this section apply only to amounts received—

(i) During taxable years ending on or before September 4, 1962, or

(ii) During taxable years ending after September 4, 1962, but only if such amounts are attributable to services performed—

(*a*) On or before December 31, 1962, and are received—

(*1*) On or before December 31, 1962, or

(*2*) After December 31, 1962, but only if on March 12, 1962, there existed a right described in subparagraph (2) of this paragraph to receive such amounts, or

(*b*) After December 31, 1962, but only if such amounts are received on or before March 12, 1962.

(2) *Rule of application.* A right referred to in subparagraph (1)(ii)(*a*)(*2*) of this paragraph shall be considered to exist on March 12, 1962, if such right (whether forfeitable or nonforfeitable) is evidenced by a written employment contract or any other written contract, agreement, or plan in force on March 12, 1962, which provides for the payment of a fixed amount of compensation for services performed during a term or which provides for payment of an amount of compensation computed solely by reference to sales, profits, or other objectively determinable facts.

(3) *Statement required.* If, for any taxable year, an individual who qualifies under paragraph (a) or (b) of this section receives an amount after December 31, 1962, which is attributable to services performed on or before that date, and excludes such amount from his gross income on the ground that a right to receive such amount existed on March 12, 1962, such individual shall attach a statement to the Form 2555, Statement to Support Exemption of Income Earned Abroad, filed by him for such taxable year setting forth the particulars on which he relies to support such exclusion.

(4) *Illustrations.* The application of the provisions of this paragraph may be illustrated by the following examples:

Example (1). A, a United States citizen who files his returns for the calendar year using a cash receipts and disbursements method of accounting, is privately employed and a bona fide resident of Sweden for the entire period January 1, 1962, through December 31, 1963. A is employed under a written employment contract in force throughout the entire period which provides for compensation of $3,000 per month payable on the 10th day of the succeeding month. A receives $3,000 on January 10, 1963, attributable to services performed on or before December 31, 1962; such amount is excludable from A's gross income under paragraph (a) of this section since the right to receive such amount existed on March 12, 1962, under an employment contract in force on that date.

Example (2). The facts are the same as in example (1), except that A's employment contract expires on October 31, 1962, and is renewed on that date without any change in terms. The result is the same as in example (1) since the new employment contract is essentially a continuation of the old contract.

Example (3). The facts are the same as in example (2), except that the renewed employment contract provides for an increase in A's salary to $3,200 per month. A receives $3,200 on January 10, 1963, which is attributable to services performed on or before December 31, 1962; $3,000 of the amount received on January 10, 1963, is excludable from A's gross income under paragraph (a) of this section since, to that extent, the new employment contract is essentially a continuation of the old contract; $200 of the amount received on January 10, 1963, is governed by the rules set forth in § 1.911–2.

Example (4). The facts are the same as in example (1), and, in addition, A and his employer enter into a written agreement on December 15, 1961, that A shall receive as a supplementary salary payment for services performed during the calendar year 1962, an amount equal to 1 percent of his employer's net profit per books for the year 1962 is excess of $500,000, such amount to be payable as soon as practicable after audit of the employer's books. On March 10, 1963, A receives $5,000 pursuant to the agreement of December 15, 1961; such amount is excludable from A's gross income under paragraph (a) of this section since the right to receive the amount existed on March 12, 1962, under the agreement in force on that date.

Example (5). B, a United States citizen who files his returns for the calendar year using a cash receipts and disbursements method of accounting is privately employed and a bona fide resident of Spain from January 1, 1953, through December 31, 1972, the entire period of service to his employer. B is compensated at a rate of $30,000 per year for the years 1953 through 1957, $40,000 per year for the years 1958 through 1962, $50,000 per year for the years 1963 through 1967, and $60,000 per year for the years 1968 through 1972. B retires on December 31, 1972, and commences participation in his employer's pension program. The pension plan is embodied in a written document, is in existence on March 12, 1962, and unchanged after that date. B will receive $3,000 per month for life and the amounts will be paid out of his employer's current funds. B's pension is computed with reference to the amounts of salary set forth above. B's total compensation with respect to which his pension is computed is $900,000 and the amount of such compensation attributable to foreign services performed before January 1, 1963, is $350,000. The amount of B's pension attributable to foreign services performed before January 1, 1963, and excludable from his gross income for his taxable year 1973 and for taxable years thereafter is $14,000 (350/900 of $36,000).

PAR. 5. There is inserted immediately after § 1.911–1, the following new section:

§ 1.911–2 Earned income from sources without the United States attributable to services performed after 1962.

(a) *Bona fide resident of a foreign country*—(1) *Qualifications for exemption.* Subject to the limitations in paragraph (d) of this section and in subparagraph (4) of this paragraph, amounts constituting earned income as defined in paragraph (c) of this section shall be excluded from the gross income of an individual citizen of the United States who establishes to the satisfaction of the Commissioner that he has been a bona fide resident of a foreign country or countries for an uninterrupted period which includes an entire taxable year, if such amounts are (i) from sources without the United States, (ii) attributable to such uninterrupted period, and (iii) not paid by the United States or any agency or instrumentality thereof. The exemption from tax thus provided is applicable to such amounts as are attributable to that portion of an uninterrupted period of bona fide foreign residence which falls within a taxable year during which the citizen begins or terminates bona fide residence in a foreign country, provided that such period includes at least one entire taxable year.

(2) *What constitutes bona fide residence.* Though the period of bona fide

foreign residence must be continuous and uninterrupted, once bona fide residence in a foreign country or countries has been established, temporary visits to the United States or elsewhere on vacation or business trips will not necessarily deprive the citizen of his status as a bona fide resident of a foreign country. Whether the individual citizen of the United States is a bona fide resident of a foreign country shall be determined by the application, to the extent feasible, of the principles of section 871 and the regulations thereunder, relating to what constitutes residence or nonresidence, as the case may be, in the United States in the case of an alien individual.

(3) *Test of bona fide residence.* If an individual who has earned income from sources within a foreign country makes a statement to the authorities of that country that he is not a resident of that country, and such individual is held not subject to the income tax of that country by its authorities with respect to such earned income, such statement shall be conclusive evidence with respect to such earned income that such individual is not a bona fide resident of that country for purposes of this paragraph. If an individual has made such a statement of nonresidence to the authorities of a foreign country and, as of any date a determination is being made for purposes of this paragraph, no adverse determination has been made by the authorities of the foreign country with respect to such individual's nonresidence status, such individual shall be considered to have been held not subject to the income tax of the foreign country for purposes of this paragraph.

(4) *Amount of exemption*—(i) *In general.* Subject to the limitations in paragraph (d) of this section, the amount excluded from the gross income of an individual who qualifies under this paragraph shall not (except as provided in subparagraph (5) of this paragraph) exceed an amount which shall be computed on a daily basis at an annual rate of (*a*) $20,000, or (*b*) $35,000 with respect to taxable years (or a portion of a taxable year) occurring immediately after such individual has been a bona fide foreign resident of a foreign country or countries for an uninterrupted period of 36 consecutive months.

(ii) *Rules of application*—(*a*) *Number of days.* The amount excludable under this paragraph accrues on a daily basis throughout the taxable year. The number of days to be used in making the computation under subdivision (i) of this subparagraph on a daily basis shall be the number of days in the taxable year with respect to which the exclusion is claimed.

(*b*) *Treatment of prior residence.* For purposes of determining whether an individual is entitled to the annual rate of exclusion of $35,000 under subdivision (i) (*b*) of this subparagraph with respect to a taxable year ending after September 4, 1962, the period of bona fide residence in a foreign country or countries may include a period prior to the beginning of such taxable year, even though the tax for such prior period is computed under the rules set forth in § 1.911–1.

(*c*) *Interruption of residence.* An individual who interrupts his foreign residence shall be entitled, upon resuming bona fide foreign residence, only to the benefits of the annual rate of exclusion of $20,000 under subdivision (i) (*a*) of this subparagraph until such individual has been a bona fide foreign resident of a foreign country or countries for another uninterrupted period of 36 consecutive months.

(iii) *Illustrations.* The application of this subparagraph may be illustrated by the following examples:

Example (1). A, a United States citizen who files his returns for the calendar year using a cash receipts and disbursements method of accounting, is unmarried, privately employed, and a bona fide resident of France for the period April 1, 1963, through December 31, 1964, and a bona fide resident of Germany for the period January 1, 1965, through June 30, 1968. A is compensated at a rate of $50,000 per year and he receives such amount as current compensation in the year in which the services to which the amount is attributable are performed. A receives no compensation in the form of the right to use property or facilities. The amounts excludable under this paragraph from A's gross income for services performed after December 31, 1962, for the various calendar years may be computed as follows: For the year 1963, $15,068.49 (275/365×$20,000); for the year 1964, $20,000 (366/366×$20,000); for the year 1965, $20,000 (365/365×$20,000); for the year 1966, $31,301.37 (90/365×$20,000 plus 275/365×$35,000); for the year 1967, $35,000 (365/365×$35,000); and, for the year 1968, $17,404.37 (182/366×$35,000).

Example (2). The facts are the same as in example (1), except that A is a bona fide resident of France for the period January 1, 1959, through December 31, 1963. The amount excludable under this paragraph from A's gross income for services performed after December 31, 1962, for the calendar year 1963 is $35,000 (365/365×$35,000).

Example (3). The facts are the same as in example (1), except that A is a bona fide resident of France for the period July 1, 1960, through December 31, 1964. The amounts excludable under this paragraph from A's gross income for services performed after December 31, 1962, for the calendar years 1963 and 1964 may be computed as follows: For the year 1963, $27,561.65 (181/365×$20,000 plus 184/365×$35,000); for the year 1964, $35,000 (366/366×$35,000).

Example (4). The facts are the same as in example (1), and on July 1, 1968, A interrupts his foreign residence. On March 31, 1971, A takes private employment in Germany and becomes a bona fide resident of Germany through December 31, 1975. A is compensated at a rate of $50,000 per year and he receives such amount as current compensation in the year in which the services to which the amount is attributable are performed. A receives no compensation in the form of the right to use property or facilities. The amounts excludable under this paragraph from A's gross income for the calendar years 1971 through 1975 may be computed as follows: For the year 1971, $15,068.49 (275/365×$20,000); for the year 1972, $20,000 (366/366×$20,000); for the year 1973, $20,000 (365/365×$20,000); for the year 1974, $31,301.37 (90/365×$20,000 plus 275/365×$35,000); for the year 1975, $35,000 (365/365×$35,000).

(5) *Treatment of certain noncash remuneration.* (i) If an individual who qualifies under this paragraph receives earned income from sources without the United States (except from the United States or any agency thereof) in the form of the right to use property or facilities, the amount of exemption under subparagraph (4) (i) of this paragraph with respect to such individual (*a*) for a taxable year ending in 1963, shall be increased by an amount equal to the amount of such earned income so received during such taxable year, (*b*) for a taxable year ending in 1964, shall be increased by an amount equal to two-thirds of the amount of such earned income so received during such taxable year, and (*c*) for a taxable year ending in 1965, shall be increased by an amount equal to one-third of such earned income so received during such taxable year. The amount of such earned income taken into account under this subparagraph shall be the fair market value of the right to use such property or facilities.

(ii) The application of this subparagraph may be illustrated by the following examples:

Example (1). B, a United States citizen who files his returns for the calendar year using a cash receipts and disbursements method of accounting, is unmarried, privately employed, qualifies under the provisions of this paragraph, and becomes a bona fide resident of France on December 31, 1962. B is compensated at a rate of $40,000 per year and he receives such amount as current compensation in the year in which the services to which the amount is attributable are performed. During his taxable years ending December 31, 1963, 1964, 1965, and 1966, B also receives earned income in the form of the right to use a residence, such use having a fair market value of $6,000 per year. Under the provisions of this subparagraph, the applicable amount of B's exemption under subparagraph (4) (i) of this paragraph is increased in the following amounts:

Taxable year ending:	*Amount*
December 31, 1963	$6,000
December 31, 1964	4,000
December 31, 1965	2,000
December 31, 1966	0

Accordingly, B may exclude $26,000 from his gross income for his taxable year 1963, $24,000 for his taxable year 1964, $22,000 for his taxable year 1965, and $35,000 for his taxable year 1966.

Example (2). The facts are the same as in example (1), except that B interrupts his foreign residence on July 1, 1965. B is entitled to increase the applicable amount of exemption under subparagraph (4) (i) of this paragraph for his taxable year ending December 31, 1965, in an amount limited to $991.78 (181/365×$2,000). Thus, the amount excludable under this paragraph from B's gross income for services performed after December 31, 1962, for his taxable year ending December 31, 1965, is $10,909.59 (181/365×$2,000 plus 181/365×$20,000).

(b) *Presence in a foreign country*—(1) *Qualifications for exemption.* Subject to the limitations in paragraph (d) of this section and subparagraph (2) of this paragraph, amounts constituting earned income as defined in paragraph (c) of this section shall be excluded from gross income in the case of an individual citizen of the United States who during any period of 18 consecutive months is present in a foreign country or countries during a total of at least 510 full days, if such amounts are (i) from sources without the United States, (ii) attributable to such period, and (iii) not paid by

the United States or any agency or instrumentality thereof. For purposes of determining the right to the exclusion under this paragraph for a taxable year ending after September 4, 1962, the period of presence in a foreign country may include a period prior to the beginning of such taxable year, even though the tax for such prior period is computed under the rules set forth in § 1.911–1.

(2) *Amount of exemption.* (i) Subject to the limitations in paragraph (d) of this section, the amount excluded from the gross income of an individual who qualifies under this paragraph shall not exceed an amount which shall be computed on a daily basis at an annual rate of $20,000 if the 18-month period includes the entire taxable year. If the 18-month period does not include the entire taxable year, the amount excluded from gross income under this paragraph for such taxable year shall not exceed an amount which bears the same ratio to $20,000 as the number of days in the part of the taxable year within the 18-month period bears to the total number of days in such year.

(ii) The application of subdivision (i) of this subparagraph may be illustrated by the following example:

Example. A, a United States citizen who files his returns for the calendar year using a cash receipts and disbursements method of accounting, is unmarried, privately employed, and physically present in France from January 1, 1963, through June 30, 1964. A is compensated at a rate of $25,000 per year and he receives such amount as current compensation in the year in which the services to which the amount is attributable are performed. The amount excludable under this paragraph from A's gross income for services performed after December 31, 1962, for the calendar years 1963 and 1964 may be computed as follows: For the year 1963, $20,000 because the 18-month period includes his entire taxable year 1963; for the year 1964, $9,945.35 computed on the basis of the following formula:

$$\frac{\text{Number of days in that part of the taxable year falling within the 18-month period}}{\text{Number of days in the taxable year}} \times \text{\$20,000 (Maximum amount excludable for the entire taxable year under this paragraph)} \text{ or } \frac{182}{366} \times \text{\$20,000}$$

(3) *Determination of 18-month period and application of 510-day rule.* For rules governing the determination of an 18-month period, the definition of a "full day", and illustrations of the application of the 510-day rule, see paragraph (b) (8), (9), (10), and (11) of § 1.911–1.

(c) *Definition of earned income*—(1) *In general.* For purposes of this section, the term "earned income" means wages, salaries, or professional fees, and other amounts received as compensation for personal services actually rendered but does not include that part of the compensation derived by the taxpayer for personal services rendered by him to a corporation which represents a distribution of earnings and profits rather than a reasonable allowance for personal services actually rendered.

(2) *Earned income and employed assistants.* The entire amount received as professional fees shall be treated as earned income if the taxpayer is engaged in a professional occupation, such as a doctor or a lawyer, even though he employs assistants to perform part or all of the services, provided the patients or clients are those of the taxpayer and look to the taxpayer as the person responsible for the services performed.

(3) *Earned income from business in which capital is material.* In the case of a taxpayer engaged in a trade or business (other than in corporate form) in which both personal services and capital are material income-producing factors, a reasonable allowance as compensation for the personal services actually rendered by the taxpayer shall be considered earned income, but the total amount which shall be treated as the earned income of the taxpayer from such a trade or business shall, in no case, exceed 30 percent of his share of the net profits of such trade or business.

(4) *Source of income and place of receipt.* An amount constituting earned income which is derived from sources without the United States shall not be included in gross income solely because it is received within the United States, since the place of receipt is immaterial in determining whether any items shall be excluded from gross income under the provisions of paragraph (a) or (b) of this section. No amounts received for services performed within the United States shall be excluded from gross income under such paragraphs. For the allocation or segregation as between sources within, and sources without, the United States in the case of compensation for labor or personal services, see sections 861, 862, 863, and 864 and the regulations thereunder.

(d) *Special rules*—(1) *Attribution to year in which services are performed.* For purposes of applying paragraphs (a) (4) and (b) (2) of this section, amounts received by an individual shall be considered received in his taxable year in which the services to which the amounts are attributable are performed by such individual. Amounts received by an individual shall not be attributed to any year in which the services performed by such individual are insubstantial in nature; thus, for example, amounts received by an individual under an arrangement which provides for future payments as additional compensation for current services and provides that during the future years the individual shall refrain from competitive activities and be available for consultation and advice shall not be attributed to a future year unless the consultative and advisory services actually rendered during such future year are substantial in nature.

(2) *Requirement as to time of receipt.* No amount received by an individual after the close of his taxable year following his taxable year in which the services to which the amount is attributable are performed may be excluded from his gross income under paragraph (a) or (b) of this section. Thus, an amount received by an individual is attributed under subparagraph (1) of this paragraph to his taxable year in which the services to which the amount is attributable are performed, but if such amount is received after the close of his taxable year following his taxable year in which the services to which the amount is attributable are performed, such amount may not be excluded from his gross income under paragraph (a) or (b) of this section.

(3) *Illustration.* The application of this paragraph may be illustrated by the following examples:

Example (1). A, a United States citizen who files his returns for the calendar year using a cash receipts and disbursements method of accounting, is privately employed and a bona fide resident of France for his entire taxable year 1963. For services performed during 1963, A receives a salary of $16,000 during 1963, and supplementary salary payments of $3,000 in each of the years 1964 and 1965. Under the provisions of subparagraph (1) of this paragraph, the supplementary payments of $3,000 are attributed to A's taxable year 1963. However, under the provisions of subparagraph (2) of this paragraph, the amount received by A in 1965 may not be excluded from his gross income under paragraph (a) or (b) of this section. Thus, A may exclude $19,000 from his gross income, $16,000 for his taxable year 1963 and $3,000 for his taxable year 1964.

Example (2). The facts are the same as in example (1), except that A is physically present in France for 510 days of an 18-month period which includes his entire taxable year 1963. The result is the same as in example (1).

(4) *Treatment of community income.* (i) For purposes of applying paragraphs (a) (4) and (b) (2) of this section with respect to amounts received for services performed by a husband or wife which are community income under community property laws applicable to such income, the aggregate amount excludable under paragraph (a) or (b) of this section from the gross income of such husband or wife shall equal the amount which would be excludable if such amounts did not constitute such community income. Thus, the amount excludable under paragraph (a) or (b) of this section from the gross income of such husband or wife shall be neither increased nor decreased by operation of community property law.

(ii) The application of this subparagraph may be illustrated by the following examples:

Example (1). H, a United States citizen who files his returns for the calendar year using a cash receipts and disbursements method of accounting, is privately employed and a bona fide resident of Scotland for his entire taxable year 1963. H has been abroad for less than 3 consecutive years. H receives $40,000 during his taxable year 1963 for services performed abroad during such taxable year. W, the wife of H and a United States citizen, earns no income of her own and continues to live in a community property State in the United States. H and W's marital domicile also continues in such State; H and W file a joint income tax return. The aggregate amount excludable by H and W from their gross income under paragraph (a) of this section is $20,000. Moreover, if H and W file separate returns, the aggregate amount excludable from their gross income under paragraph (a) of this section is $20,000.

Example (2). The facts are the same as in example (1), except that W also resides in Scotland and receives $5,000 which does not

constitute earned income within the meaning of paragraph (c) of this section. Whether H and W file their income tax returns separately or jointly, the aggregate amount excludable from their gross income under paragraph (a) of this section is $20,000.

Example (3). The facts are the same as in example (2), except that W receives $10,000 during her taxable year 1963 for services performed in a private employment abroad during such taxable year. Whether H and W file their income tax returns separately or jointly, the aggregate amount excludable from their gross income under paragraph (a) of this section is $30,000.

Example (4). The facts are the same as in example (3), except that H and W are domiciled in a noncommunity property jurisdiction. Whether H and W file their income tax returns separately or jointly, the aggregate amount excludable from their gross income under paragraph (a) of this section is $30,000.

Example (5). H, a United States citizen who files his returns for the calendar year using a cash receipts and disbursements method of accounting is privately employed and a bona fide resident of Scotland for his entire taxable year 1963. H receives $50,000 during his taxable year 1963 for services performed abroad during such taxable year. W, the wife of H, is a nonresident alien who has never been present in the United States and earns no income of her own. H and W's marital domicile is in a community property jurisdiction. One-half of H's earnings ($25,000) belong to W under community property laws and W is exempt from tax on such amount because it is income from sources without the United States. The division of income, however, also divides the exemption provided under paragraph (a) of this section. Thus, the amount excludable by H from his gross income under paragraph (a) of this section is limited to $10,000; the remaining $15,000 is includible in H's gross income.

(5) *Certain amounts not excludable.* No amount—

(i) Received by an individual as a pension or annuity, or

(ii) Included by an individual in his gross income by reason of section 402(b) (relating to taxability of beneficiary of non-exempt trust), section 403(c) (relating to taxability of beneficiary under a nonqualified annuity), or section 403 (d) (relating to taxability of beneficiary under certain forfeitable contracts purchased by exempt organizations or public schools),

may be excluded from the gross income of such individual under paragraph (a) or (b) of this section.

(6) *Treatment of deductions.* In any case in which any amount is excluded from the gross income of an individual under paragraph (a) or (b) of this section, there shall be disallowed as a deduction any expenses, losses, or other items otherwise deductible (other than those allowed by section 151, relating to personal exemptions), properly allocable to or chargeable against the amount so excluded from gross income. If the earned income excludable under paragraph (a) or (b) of this section (determined without regard to the applicable $20,000 or $35,000 limitation) exceeds the earned income excludable under paragraph (a) or (b) of this section, the amount disallowed as a deduction shall be limited to an amount which bears the same ratio to the total of such items properly allocable to or chargeable against such earned income so excludable (determined without regard to the applicable $20,000 or $35,000 limitation) as the amount excluded from gross income under paragraph (a) or (b) of this section bears to such earned income (determined without regard to the applicable $20,000 or $35,000 limitation). However, deductions which are not properly allocable to or chargeable against earned income excluded under paragraph (a) or (b) of this section are deductible in their entirety (subject to specific statutory limitations relating to such items). Examples of such items include personal and family medical expenses, real estate taxes on a personal residence, interest on mortgage on personal residence, and charitable deductions.

(e) *Returns and declarations of estimated tax*—(1) *Returns.* Any return filed before the completion of the period necessary to qualify a citizen for the exemption under paragraph (a) or (b) of this section shall be filed without regard to the exemption provided by such paragraph, but claim for credit or refund of any overpayment of tax may be filed if the taxpayer subsequently qualifies for the exemption under such paragraph. A taxpayer desiring an extension of time (in addition to the automatic extension of time granted by § 1.6081–2) for filing the return until after the completion of the qualifying period under paragraph (a) or (b) of this section shall make application therefor on Form 2350, Application for Extension of Time for Filing U.S. Income Tax Return. Such application shall be filed with the internal revenue officer (Director, Office of International Operations, Internal Revenue Service, Washington 25, D.C., or the district director) with whom the return is required to be filed. The application shall set forth the facts relied upon to justify the extension of time requested and include a statement as to the earliest date the taxpayer expects to be in a position to determine whether he will be entitled to the exclusion provided by paragraph (a) or (b) of this section. An extension of time may be granted for more than 6 months in the case of taxpayers who are abroad. See section 6081 and § 1.6081–1. See section 6012(c) and paragraph (a) (3) of § 1.6012–1, relating to the returns to be filed and the information to be furnished by individuals who qualify for exemption under section 911.

(2) *Declaration of estimated tax.* In estimating his gross income for the purpose of making a declaration of estimated tax for any taxable year, a citizen of the United States is not required to take into account income which he believes will be excluded from gross income under the provisions of paragraph (a) or (b) of this section. However, if the actual amount of the exclusion is less than the amount anticipated, the citizen may be subject to an addition to tax under the provisions of section 6654 and the regulations thereunder.

(f) *Definition of "foreign country".* The term "foreign country" means territory under the sovereignty of a government other than that of the United States and includes the air space over such territory. It does not include a possession or territory of the United States.

(g) *Applicability of section.* (1) The rules contained in this section apply to taxable years ending after September 4, 1962, but only with respect to amounts—

(i) Received after March 12, 1962, which are attributable to services performed after December 31, 1962, or

(ii) Received after December 31, 1962, which are attributable to services performed on or before December 31, 1962, unless on March 12, 1962, there existed a right (whether forfeitable or nonforfeitable) to receive such amounts.

(2) *Rule of application.* See paragraph (c) (2) and (4) of § 1.911–1 for a statement and illustration of the rules governing the determination of the existence of a right referred to in subparagraph (1) (ii) of this paragraph.

(3) *Illustration.* The application of the provisions of this paragraph may be illustrated by the following example:

Example. A, a United States citizen who files his returns for the calendar year using a cash receipts and disbursements method of accounting, is privately employed and a bona fide resident of Belgium for the entire period January 1, 1962, through December 31, 1963. A's salary is $18,000 per year and the entire amount is received in the year it is earned. In addition, on June 1, 1963, A receives a supplementary salary payment of $5,000 attributable to services performed during 1962, but with respect to which A had no right in existence on March 12, 1962. Under the provisions of subparagraph (1) (ii) of this paragraph, the supplementary salary is subject to the rules contained in this section. Under paragraph (d) (1) of this section, the supplementary salary payment is considered received by A in 1962. Under paragraph (a) (4) of this section, that portion of the amount received by A which, subject to the limitations of paragraph (d) of this section, when added to other qualifying amounts received by A during the taxable year 1962, does not exceed an amount computed on a daily basis at an annual rate of $20,000 shall be excludable from A's gross income. Since A received $18,000 of excludable amounts during his taxable year 1962, $2,000 of the supplementary salary payment is excludable from his gross income under paragraph (a) of this section and the remaining $3,000 is includible in his gross income.

[F.R. Doc. 63–4298; Filed, Apr. 22, 1963; 8:47 a.m.]

[26 CFR Parts 1, 301]

INCOME TAX; PROCEDURE AND ADMINISTRATION

Proposed Information To Be Furnished With Regard to Certain Employee Retirement Plans, Criminal Penalties for Submission of Fraudulent Information, and Other Technical Changes

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the

Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P, Washington 25, D.C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such a case, a public hearing will be held and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] MORTIMER M. CAPLIN,
Commissioner of Internal Revenue.

The Income Tax Regulations (26 CFR Part 1) and the Regulations on Procedure and Administration (26 CFR Part 301) are hereby amended to conform to section 7(m) of the Self-Employed Individuals Tax Retirement Act of 1962 (76 Stat. 830), relating to information to be furnished with regard to certain employee retirement plans, by prescribing regulations under section 6047 of the Internal Revenue Code of 1954 and amending the regulations under sections 6041, 6042, 6044, 6049, and 7207:

In Part 1—Income Tax; Taxable Years Beginning After December 31, 1953:

PARAGRAPH 1. Paragraph (d)(1) of § 1.6041–1 is revised to read as follows:

§ 1.6041–1 Return of information as to payments of $600 or more.

* * * * *

(d) *Payments specifically included.* (1) Sums paid in respect of life insurance, endowment, or annuity contracts are required to be reported in returns of information under this section—

(i) Unless the payment is made in respect of a life insurance or endowment contract by reason of the death of the insured and is not required to be reported by paragraph (b) of § 1.6041–2,

(ii) Unless the payment is made by reason of the surrender prior to maturity or lapse of a policy, other than a policy which was purchased (*a*) by a trust described in section 401(a) which is exempt from tax under section 501(a), (*b*) as part of a plan described in section 403(a), or (*c*) by an employer described in section 403(b)(1)(A),

(iii) Unless the payment is interest as defined in § 1.6049–2 and is made after December 31, 1962, or

(iv) Unless the payment is a payment with respect to which a return is required by § 1.6047–1, relating to employee retirement plans covering owner-employees.

PAR. 2. Paragraph (b) of § 1.6041–2 is amended to read as follows:

§ 1.6041–2 Return of information as to payments to employees.

* * * * *

(b) *Distribution under employees' trust.* (1) Amounts which are distributed or made available to a beneficiary, and to which section 402 (relating to employees' trusts) or section 403 (relating to employee annuity plans) applies, shall be reported on Forms 1099 and 1096 to the extent such amounts are includible in the gross income of such beneficiary when the amounts so includible are $600 or more in any calendar year.

(2) Any amount with respect to which a statement is required by § 1.6047–1, relating to employee retirement plans covering owner-employees, shall not be included in amounts required to be reported under section 6041.

PAR. 3. Paragraph (a)(1)(ii) and (4) and paragraph (c) of § 1.6042–2 are amended to read as follows:

§ 1.6042–2 Returns of information as to dividends paid in calendar years after 1962.

(a) *Requirement of reporting*—(1) *In general.* * * *

(ii) Every person who during a calendar year after 1962 receives payments of dividends as a nominee on behalf of another person aggregating $10 or more shall make an information return on Forms 1096 and 1087 for such calendar year showing the aggregate amount of such dividends, the name and address of the person on whose behalf received, the total of such dividends received on behalf of all persons, and such other information as is required by the forms.

* * * * *

(4) *Inclusion of other payments.* The Form 1099 filed by any person with respect to payments of dividends to another person during a calendar year may, at the election of the maker, include other payments made by him to such other person during such year which are required to be reported on Form 1099. Similarly, the Form 1087 filed by a nominee with respect to payments of dividends received by him on behalf of any other person during a calendar year may include payments of interest received by him on behalf of such person during such year which are required to be reported on Form 1087. In addition, any person required to report payments on both Forms 1087 and 1099 for any calendar year may use one Form 1096 to summarize and transmit such forms.

* * * * *

(c) *Time and place for filing.* The returns required under this section for any calendar year shall be filed after the close of that year and on or before February 28 of the following year with any of the Internal Revenue Service Centers, the addresses of which are listed in the instructions on Form 1096. For extensions of time for filing returns under this section, see § 1.6081–1.

PAR. 4. Paragraph (a)(4) of § 1.6044–2 is amended to read as follows:

§ 1.6044–2 Returns of information as to payments of patronage dividends with respect to patronage occurring in taxable years beginning after 1962.

(a) *Requirement of reporting.* * * *

(4) *Inclusion of other payments.* The Form 1099 filed by an organization with respect to payments of patronage dividends made to any person during a calendar year may, at the election of the organization, include other payments made by it to such person during such year which are required to be reported on Form 1099.

PAR. 5. There is inserted immediately after § 1.6046–3 the following new sections:

§ 1.6047 Statutory provisions; information relating to certain trusts and annuity and bond purchase plans.

SEC. 6047. *Information relating to certain trusts and annuity and bond purchase plans*—(a) *Trustees and insurance companies.* The trustee of a trust described in section 401(a) which is exempt from tax under section 501(a) to which contributions have been paid under a plan on behalf of any owner-employee (as defined in section 401(c)(3)), and each insurance company or other person which is the issuer of a contract purchased by such a trust, or purchased under a plan described in section 403(a), contributions for which have been paid on behalf of any owner-employee, shall file such returns (in such form and at such times), keep such records, make such identification of contracts and funds (and accounts within such funds), and supply such information, as the Secretary or his delegate shall by forms or regulations prescribe.

(b) *Owner-Employees.* Every individual on whose behalf contributions have been paid as an owner-employee (as defined in section 401(c)(3))—

(1) To a trust described in section 401(a) which is exempt from tax under section 501(a), or

(2) To an insurance company or other person under a plan described in section 403(a),

shall furnish the trustee, insurance company, or other person, as the case may be, such information at such times and in such form and manner as the Secretary or his delegate shall prescribe by forms or regulations.

(c) *Employees under qualified bond purchase plans.* Every individual in whose name a bond described in section 405(b)(1) is purchased by his employer under a qualified bond purchase plan described in section 405(a), or by a trust described in section 401(a) which is exempt from tax under section 501(a), shall furnish—

(1) To his employer or to such trust, and

(2) To the Secretary (or to such person as the Secretary may by regulations prescribe),

such information as the Secretary or his delegate shall by forms or regulations prescribe.

(d) *Cross reference.* For criminal penalty for furnishing fraudulent information, see section 7207.

[Sec. 6047 as added by sec. 7(m)(1), Self-Employed Individuals Tax Retirement Act 1962 (76 Stat. 830)]

§ 1.6047–1 Information to be furnished with regard to employee retirement plan covering an owner-employee.

(a) *Trustees and insurance companies*—(1) *Requirement of return.* (i) Every trustee of a trust described in section 401(a) and exempt from tax under section 501(a) which makes payments of amounts described in subparagraph (2) of this paragraph aggregating $10 or more during any calendar year to an individual (or his beneficiary) who was covered, within the meaning of paragraph (a) (2) of § 1.401–10, as an owner-employee under the plan of which such trust is a part shall make a return on Forms 1096 and 1099 for such year showing the name and address of the person to whom paid, the aggregate amount of such payments, specifically identified as an amount to which this paragraph applies, and such other information as is required by the forms. A separate Form 1099 shall be filed with respect to each payee. The term "owner-employee" means an owner-employee as defined in section 401(c) (3) and paragraph (d) of § 1.401–10. Any custodial account which satisfies the requirements of section 401(f) shall be treated as a qualified trust and the custodian of such a custodial account must comply with the requirements of this section as if he were the trustee.

(ii) Every issuer of a contract which is treated as an annuity contract under sections 401 through 404 purchased by a trust described in section 401(a) and exempt from tax under section 501(a) or under a plan described in section 403(a) which makes payments of amounts described in subparagraph (2) of this paragraph aggregating $10 or more during any calendar year to an individual (or his beneficiary) who was covered, within the meaning of paragraph (a) (2) of § 1.401–10, as an owner-employee under the plan of which such trust is a part or under which such contract was purchased shall make a return on Forms 1096 and 1099 for such year showing the name and address of the person to whom paid, the aggregate amount of such payments, specifically identified as an amount to which this paragraph applies, and such other information as is required by the form. A separate Form 1099 shall be filed with respect to each payee.

(2) *Amounts subject to this section.* The amounts subject to reporting under subparagraph (1) of this paragraph include all amounts distributed or made available to which section 402(a) (relating to employees' trusts) or section 403(a) (relating to employee annuity plans) applies, whether or not such amounts are includible in gross income and whether or not attributable to contributions made while the individual to whom they relate was an owner-employee. However, amounts subject to reporting do not include any amounts distributed or made available by the trustee of any trust or the issuer of any contract under any plan with respect to which he has not received the notification provided in either subparagraph (3) of this paragraph or paragraph (b) of this section. Amounts distributed or made available under the plan include, for example, amounts received by the individual as loans on contracts purchased under the plan, and payments made to the individual by reason of the surrender of contracts purchased under the plan, whether or not prior to their maturity.

(3) *Notification by trustee.* The trustee of any trust described in section 401(a) and exempt from tax under section 501(a) who receives notification from any owner-employee that contributions have been made to the trust on behalf of that owner-employee as an owner-employee shall notify in writing the issuer of any contract which is treated as an annuity contract under sections 401 through 404 purchased by the trust for the benefit of that owner-employee that such contributions have been made to such trust. Such notification shall be delivered to such issuer at the time such contract is purchased or within 90 days after the notification required by paragraph (b) of this section is received by the trustee, whichever is later. Only one such notification must be made with respect to any contract.

(4) *Record keeping.* Any trustee, insurance company, or other person, which is referred to in subparagraph (1) of this paragraph and which is notified under section 6047(b) that contributions to the trust or under the plan have been made on behalf of an owner-employee shall maintain a record of such notification until all funds of the trust or under the plan on behalf of the owner-employee have been distributed.

(5) *Inclusion of other payments.* The Form 1099 filed under this section by any person with respect to payments to another person during a calendar year may, at the election of the maker, include other payments made by him to such other person during such year which are required to be reported on Form 1099.

(6) *Time and place for filing.* The return required under this section for any calendar year shall be filed after the close of that year and on or before February 28 of the following year with any of the Internal Revenue Service Centers, the addresses of which are listed in the instructions for Form 1096. For extensions of time for filing returns under this section, see § 1.6081–1.

(b) *Notification by owner-employee.* Any owner-employee on behalf of whom contributions are made to a trust described in section 401(a) and exempt under section 501(a) or under a plan described in section 403(a) shall notify in writing—

(1) The trustee of such a trust, or

(2) The issuer of any contract which is treated as an annuity contract under sections 401 through 404 under such plan,

that such contributions have been made to such trust or plan. Such notification shall be delivered to such trustee or such issuer during the first calendar year in which such contributions are made or on or before February 28 of the year following such year. Only one such notification must be made with respect to any contract or any trust.

(c) *Penalty.* For criminal penalty for furnishing fraudulent information under this section, see § 301.7207–1 of this chapter (Regulations on Procedure and Administration).

PAR. 6. Paragraph (a) (1) (ii) and (4) and paragraph (c) of § 1.6049–1 are amended to read as follows:

§ 1.6049–1 Returns of information as to interest paid in calendar years after 1962.

(a) *Requirement of reporting*—(1) *In general.* * * *

(ii) Every person who during a calendar year after 1962 receives payments of interest as a nominee on behalf of another person aggregating $10 or more shall make an information return on Forms 1096 and 1087 for such calendar year showing the aggregate amount of such interest, the name and address of the person on whose behalf received, the total of such interest received on behalf of all persons, and such other information as is required by the form.

* * * * *

(4) *Inclusion of other payments.* The Form 1099 filed by any person with respect to payments of interest to another person during a calendar year may, at the election of the maker, include other payments made by him to such other person during such year which are required to be reported on Form 1099. Similarly, the Form 1087 filed by a nominee with respect to payments of interest received by him on behalf of any other person during a calendar year may include payments of dividends received by him on behalf of such person during such year which are required to be reported on Form 1087. In addition, any person required to report payments on both Forms 1087 and 1099 for any calendar year may use one Form 1096 to summarize and transmit such forms.

* * * * *

(c) *Time and place for filing.* The returns required under this section for any calendar year shall be filed after the close of that year and on or before February 28 of the following year with any of the Internal Revenue Service Centers, the addresses of which are listed in the instructions for Form 1096. For extensions of time for filing returns under this section, see § 1.6081–1.

In Part 301—Procedure and Administration:

PAR. 7. Section 301.7207 is amended and a historical note added at the end thereof to read as follows:

§ 301.7207 Statutory provisions; fraudulent returns, statements, or other documents.

SEC. 7207. *Fraudulent returns, statements, or other documents.* Any person who willfully delivers or discloses to the Secretary or his delegate any list, return, account, statement, or other document, known by him to be fraudulent or to be false as to any material matter, shall be fined not more than $1,000, or imprisoned not more than 1 year, or both. Any person required pursuant to section 6047 (b) or (c) to furnish any information to the Secretary or any other person who willfully furnishes to the Secretary or such other person any information known by him to be

fraudulent or to be false as to any material matter shall be fined not more than $1,000, or imprisoned not more than 1 year, or both.

[Sec. 7207, as amended by sec. 7(m)(3), Self-Employed Individuals Tax Retirement Act 1962 (76 Stat. 831)]

PAR. 8. Section 301.7207–1 is amended to read as follows:

§ 301.7207–1 Fraudulent returns, statement, or other documents.

Any person who willfully delivers or discloses to any officer or employee of the Internal Revenue Service any list, return, account, statement, or other document, known by him to be fraudulent or to be false as to any material matter, shall be fined not more than $1,000, or imprisoned not more than 1 year, or both. Any person required pursuant to section 6047 (b) or (c) to furnish information to any officer or employee of the Internal Revenue Service or any other person who willfully furnishes to such officer or employee of the Internal Revenue Service or such other person any information known by him to be fraudulent or to be false as to any material matter shall be fined not more than $1,000, or imprisoned not more than 1 year, or both.

[F.R. Doc. 63–4296; Filed, Apr. 22, 1963; 8:47 a.m.]

[26 CFR Part 48]

MANUFACTURERS AND RETAILERS EXCISE TAXES

Proposed Exclusion of Local Advertising Charges From Sale Price

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P, Washington 25, D.C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such a case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] MORTIMER M. CAPLIN,
Commissioner of Internal Revenue.

In order to conform the Manufacturers and Retailers Excise Tax Regulations (26 CFR Part 48) under section 4216(f) of the Internal Revenue Code of 1954 to section 2 of the Act of October 9, 1962 (Public Law 87–770, 76 Stat. 768), which provides for a change in the definition of local advertising to include the media of magazines and outdoor advertising signs or posters, such regulations are amended as follows:

PARAGRAPH 1. Section 48.4216(f) is amended by revising paragraph (4)(C) of section 4216(f) and by revising the historical note. These amended provisions read as follows:

§ 48.4216(f) Statutory provisions; definition of price; exclusion of local advertising charge from sale price.

SEC. 4216. *Definition of price.* * * *

(f) *Exclusion of local advertising charge from sale price.* * * *

(4) *Local advertising defined.* * * *

(C) Is broadcast over a radio station or television station, appears in a newspaper or magazine, or is displayed by means of an outdoor advertising sign or poster.

[Sec. 4216(f) as added by sec. 1, Act of Sept. 14, 1960 (Public Law 86–781, 74 Stat. 1017) and as amended by sec. 2, Act of Oct. 9, 1962 (Public Law 87–770, 76 Stat. 768)]

PAR. 2. Section 48.4216(f)–1 is amended by revising paragraph (a), subparagraphs (1) (iii) and (4) of paragraph (b), and subparagraph (1) of paragraph (c), and by adding subparagraphs (6) and (7) to paragraph (b). These amended and added provisions read as follows:

§ 48.4216(f)–1 Exclusion of local advertising charges from sale price.

(a) *In general.* Section 4216(f) deals with the treatment to be accorded charges made by a manufacturer for, and reimbursements by a manufacturer of expenditures in connection with, the advertising of certain articles subject to excise tax under chapter 32 of the Code. Section 4216(f) provides an exclusion (which is in addition to the exclusions provided by section 4216(a) and the regulations thereunder) in respect of charges for local advertising, as defined in paragraph (b) of this section, for purposes of determining the price for which an article is sold. See paragraph (c) of this section. The exclusion provided by section 4216(f) and paragraph (c) of this section has application only if—

(1) In the case of articles sold during the period January 1, 1961, through December 31, 1962, the advertising is broadcast over a radio or television station, or appears in a newspaper; and

(2) In the case of articles sold on or after January 1, 1963, the advertising is broadcast over a radio or television station, appears in a newspaper or magazine, or is displayed by means of an outdoor advertising sign or poster.

Section 4216(f) also provides an overall limitation in respect of the sum of the amount of the exclusions from price as charges for local advertising and the amount of the readjustments authorized under section 6416(b)(1) (relating to credits or refunds for price readjustments) in respect of reimbursements by a manufacturer of expenditures for local advertising. See § 48.4216(f)–2. For provisions prohibiting exclusion from price or readjustment of price in respect of charges for, and reimbursements of expenditures for, advertising other than local advertising, see § 48.4216(f)–3.

(b) *Definition of local advertising—*

(1) *In general.* * * *

(iii) (*a*) In the case of articles sold on or after January 1, 1961, and before January 1, 1963, is broadcast over a radio station or television station or appears in a newspaper, or

(*b*) In the case of articles sold on or after January 1, 1963, is broadcast over a radio station or television station, appears in a newspaper or magazine, or is displayed by means of an outdoor advertising sign or poster.

* * * * *

(4) *Determination of costs of local advertising.* Where an advertisement identifies more than one article, and all such articles are not taxable, or are not taxable at the same rate under the same section of chapter 32 of the Code, a reasonable allocation of the cost of the advertisement must be made among (i) articles taxable at the same rate under the same section of the Code, and (ii) articles which are not taxable under chapter 32 of the Code. For example, in the case of a single page newspaper or magazine advertisement, an allocation of costs reflecting the lineage or space devoted to the specified categories will be considered to reflect a reasonable allocation of the cost of advertising the different articles. As a general rule, only the cost of the "spot" portion identifying the retail establishment is considered "local advertising" in the case of national television or radio programs.

* * * * *

(6) *Meaning of "magazine".* The term "magazine", as used in subparagraph (1) of this paragraph, is limited to those publications which are (i) commonly understood to be magazines, (ii) printed and distributed periodically at least twice a year, and (iii) published for the dissemination of information of a general nature or of special interest to particular groups. The term does not include handbills, circulars, flyers or the like, unless printed and distributed as a part of a publication which constitutes a magazine within the meaning of this subparagraph. For purposes of this subparagraph, advertising is not considered to be information of a general nature or information of special interest to particular groups within the contemplation of subdivision (iii) of this subparagraph.

(7) *Meaning of "outdoor advertising sign or poster".* The term "outdoor advertising sign or poster", as used in subparagraph (1) of this paragraph, means a sign or poster displaying advertising matter, which is located outside of a roofed enclosure. This term includes both signs or posters on billboards, whether placed on or affixed to land, buildings, or other structures, and those which are displayed on or attached to moving objects, provided the signs or posters are located outside of a roofed enclosure. The term "roofed enclosure" means a roofed structure which is enclosed on more than one-half of its sides by walls, fences, or other barriers.

(c) *Exclusion—*(1) *Conditions and limitations.* A charge for local advertis-

ing which is required by a manufacturer to be paid as a condition to his sale of an article is not a part of the taxable price of the article, to the extent that such charge meets each of the following conditions and limitations:

(i) Such charge does not exceed 5 percent of the difference between (*a*) an amount which would constitute the taxable price of the article (computed at the time of the sale of the article) if no part of any charge for local advertising were excludable in computing taxable price, and (*b*) the amount of any separate charge for local advertising, whatever the amount of such charge may be.

(ii) Such charge is specifically shown as a separate charge for local advertising on the invoice or statement covering the sale of the article.

(iii) Such charge is billed by the manufacturer with the intention on his part of repaying the amount of the charge to the person purchasing the article from him, or to any person who subsequently purchases the article for resale, in reimbursement of costs incurred for local advertising of such article or some other article or articles taxable at the same rate under the same section of the Code. In the absence of evidence to the contrary, the fact of such intention will be assumed in all cases where the manufacturer and his vendees are parties to an advertising plan which calls for such repayments, or the manufacturer can otherwise establish that the vendees to whom he bills such charges understand and expect that such repayments will be made.

PAR. 3. Section 48.4216(f)–3 is revised to read as follows:

§ 48.4216(f)–3 No exclusion or readjustment for other advertising charges or reimbursements.

(a) *Exclusions from price.* No exclusion in computing the taxable price of any article sold by the manufacturer may be allowed in respect of any charge for advertising if, and to the extent that, such charge—

(1) Is for advertising which does not qualify as local advertising within the meaning of section 4216(f)(4) and paragraphs (a) and (b) of § 48.4216(f)–1, or

(2) Does not satisfy all of the conditions and limitations stated in section 4216(f)(1) and paragraph (c) of § 48.4216(f)–1.

(b) *Readjustments of price.* No credit or refund under section 6416(b)(1) may be allowed in respect of any amount which was included in the taxable price of an article sold by the manufacturer and which was later paid by him to his vendee in reimbursement of costs incurred for advertising, if, and to the extent that, the amount so paid—

(1) Is for advertising which does not qualify as local advertising within the meaning of section 4216(f)(4) and paragraph (b) of § 48.4216(f)–1, or

(2) Is not within the limitation provided in section 4216(f)(2), as computed in accordance with § 48.4216(f)–2, as of the close of the calendar quarter in which the amount is so paid over or as of the close of any subsequent calendar quarter in the same calendar year. See, however, paragraph (c)(2)(ii) of § 48.6416(b)–1, relating to redetermination of price readjustments in cases where local advertising charges excluded from taxable price in one calendar year become taxable as of May 1 of the following calendar year.

PAR. 4. Section 48.6416(b)–1 is amended by revising paragraph (c) to read as follows:

§ 48.6416(b)–1 Readjustments of price on which manufacturers or retailers excise tax is based.

* * * * *

(c) *Reimbursements in respect of local advertising*—(1) *In general.* In any case in which a manufacturer has paid tax under chapter 32 based on the price of any article sold by him—

(i) During the period January 1, 1961, through December 31, 1962, and the advertising is broadcast over a radio or television station, or appears in a newspaper, and

(ii) After December 31, 1962, and the advertising is broadcast over a radio or television station, appears in a newspaper or magazine, or is displayed by means of an outdoor advertising sign or poster,

and a portion of the price is thereafter paid by the manufacturer to his vendee in reimbursement of expenses for local advertising of such article or any other article taxable at the same rate under the same section of chapter 32 which was sold by such manufacturer, such reimbursement will constitute a price readjustment with respect to which the manufacturer may claim credit or refund, if and to the exent that such reimbursement is within the limitation provided in section 4216(f)(2), as computed in accordance with the provisions of § 48.4216(f)–2 as of the close of the calendar quarter in which the reimbursement is made or as of the close of any subsequent calendar quarter of the same calendar year.

(2) *Local advertising charges excluded from taxable price in one calendar year but repaid on or after May 1 of following calendar year*—(i) *Determination of price readjustments for year in which charge is repaid.* In any case where local advertising charges which were excluded in computing the taxable price of an article sold in any calendar year are not repaid to the manufacturer's vendee or any subsequent vendee before May 1 of the following calendar year and tax is paid with respect to such charges (see section 4216(f)(1) and § 48.4216(f)–1), any subsequent repayment of such charges to the manufacturer's vendee in reimbursement of expenses incurred for local advertising will constitute a price readjustment with respect to which the manufacturer may claim credit or refund, if and to the extent that such reimbursement is within the limitation provided in section 4216(f)(2), as computed in accordance with the provisions of § 48.4216(f)–2 as of the close of the calendar quarter in which the reimbursement is made or as of the close of any subsequent calendar quarter of the same calendar year.

(ii) *Redetermination of price readjustments for year in which charge was made.* In any case where local advertising charges which were excluded in computing the taxable price of an article sold in any calendar year are not repaid to the manufacturer's vendee or any subsequent vendee before May 1 of the following calendar year and tax is paid with respect to such charges (see section 4216(f)(1) and § 48.4216(f)–1), the manufacturer may make a redetermination, in respect of the calendar year in which the charge was made, of the price readjustments with respect to which he may claim credit or refund, excluding from such redetermination the local advertising charges made in such calendar year which became taxable as of May 1 of the following calendar year.

[F.R. Doc. 63–4297; Filed, Apr. 22, 1963; 8:47 a.m.]

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[50 CFR Part 32]

TENNESSEE NATIONAL WILDLIFE REFUGE

Proposed Hunting of White-Tailed Deer

Notice is hereby given that pursuant to the authority vested in the Secretary of the Interior by the Migratory Bird Hunting Stamp Act of March 16, 1934, as amended August 1, 1958 (72 Stat. 487; 16 U.S.C. 718b), and the Migratory Bird Conservation Act of February 18, 1929, as amended (45 Stat. 1222; 16 U.S.C. 715), it is proposed to amend 50 CFR 32.31 as set forth below. The purpose of this amendment is to provide for the public hunting of white-tailed deer on certain parts of the Tennessee National Wildlife Refuge, Tenn. Hunting of deer on the area will not conflict with the waterfowl management objectives of the refuge, and will reduce damage to natural habitat and crops planted for waterfowl.

It is the policy of the Department of the Interior, whenever practicable, to afford the public an opportunity to participate in the rule making process. Accordingly, interested persons may submit written comments, suggestions, or objections, with respect to the proposed amendment, to the Director, Bureau of Sport Fisheries and Wildlife, Washington 25, D.C., within 30 days of the date of publication of this notice in the FEDERAL REGISTER.

1. Section 32.31 is amended by the addition of the following area as one where the hunting of big game is authorized.

§ 32.31 List of open areas; big game.

* * * * *

TENNESSEE

TENNESSEE NATIONAL WILDLIFE REFUGE

FRANK P. BRIGGS,
Assistant Secretary of the Interior.

APRIL 17, 1963.

[F.R. Doc. 63–4294; Filed, Apr. 22, 1963; 8:47 a.m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

[15 CFR Part 6]

HYDRAULIC BRAKE FLUIDS FOR USE IN MOTOR VEHICLES

Proposed Change in Specifications

Notice is hereby given that the modifications set forth below are proposed in the specifications for hydraulic brake fluids for use in motor vehicles published in the FEDERAL REGISTER on December 4, 1962, under Title 15, Subtitle A, Part 6 in conformance with Public Law 87–637, approved September 5, 1962 (76 Stat. 437). These proposed modifications, identical to those for types 70R1 and 70R3 hydraulic brake fluids in SAE Standard J70a dated April 1963 and published by the Society of Automotive Engineers, 485 Lexington Avenue, New York 17, N.Y., with the addition of an arctic or all-weather type, are to be optional until March 1, 1964, and are to be mandatory after that date when the specifications published on December 4, 1962, expire.

Prior to the final adoption and publication of the modified specifications proposed herein, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, in duplicate, to the Director, National Bureau of Standards, U.S. Department of Commerce, Washington 25, D.C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER.

J. HERBERT HOLLOMON,
Assistant Secretary of Commerce for Science and Technology.

SPECIFICATIONS FOR SYNTHETIC-BASE HYDRAULIC BRAKE FLUIDS FOR USE IN MOTOR VEHICLES

Sec.
6.1 Definitions.
6.2 Scope and application.
6.3 Requirements for SAE Type 70R1.
6.4 Requirements for SAE Type 70R3.
6.5 Requirements for arctic or all-weather type.
6.6 Changes in specifications.

AUTHORITY: §§ 6.1 to 6.6 issued under secs. 1–4, Public Law 87–637, approved September 5, 1962 (76 Stat. 437).

§ 6.1 Definitions.

As used in these specifications:

(a) The term "act" means Public Law 87–637, approved September 5, 1962 (76 Stat. 437).

(b) The term "hydraulic brake fluid" means any fluid for use in the hydraulic braking system of a motor vehicle, except petroleum base fluid which is in a container clearly identified and distinguishable from the types of non-petroleum hydraulic brake fluids prescribed in these specifications.

(c) The term "motor vehicle" means any vehicle or machine which is propelled or drawn by mechanical power and which is one of a class of vehicles, such as passenger cars, trucks, buses or trailers, for use principally on the highways.

(d) The abbreviation "° C." means temperature expressed in degrees Celsius.

(e) The abbreviation "° F." means temperature expressed in degrees Fahrenheit.

§ 6.2 Scope and application.

These specifications shall apply to any hydraulic brake fluid for use in motor vehicles. Hydraulic brake fluids covered by these specifications are of three types:

(a) SAE Type 70R1 hydraulic brake fluid is for use in the braking system of a motor vehicle designed for a non-petroleum fluid, except in a system designed for a hydraulic brake fluid having a boiling point greater than 150° C. or 302° F. Until March 1, 1964, specifications for SAE Type 70R1 hydraulic brake fluid published in FEDERAL REGISTER on December 4, 1962, are optional.

(b) SAE Type 70R3 hydraulic brake fluid is for use in the braking system of any motor vehicle designed for a non-petroleum fluid. Until March 1, 1964, specifications for SAE Type 70R3 hydraulic brake fluid published in FEDERAL REGISTER on December 4, 1962, are optional.

(c) Arctic or all-weather hydraulic brake fluid is for use in the braking system of a motor vehicle designed for a non-petroleum fluid, such as a passenger car, truck, bus or trailer, and operated under arctic conditions where the air temperature is below minus 30° C. or minus 22° F. continuously for periods exceeding 24 hours.

§ 6.3 Requirements for SAE Type 70R1.

SAE Type 70R1 hydraulic brake fluid shall meet the following requirements when tested in accordance with the designated procedures in SAE Standard J70a dated April 1963 for SAE 70R1:

(a) *Boiling point.* Brake fluid when tested by the procedure specified in section 4.1 of SAE J70a shall have a boiling point not less than 150° C. or 302° F.

(b) *Flash point.* Brake fluid when tested by the procedure specified in section 4.2 of SAE J70a shall have a flash point not less than 63° C. or 145.4° F.

(c) *Viscosity.* Brake fluid when tested by the procedure specified in section 4.3 of SAE J70a shall have the following kinematic viscosities: At minus 40° C. or ° F.—not more than 1,800 centistokes; at 50° C. or 122° F.—not less than 4.0 centistokes; and at 100° C. or 212° F.—not less than 1.3 centistokes.

(d) *pH value.* Brake fluid when tested by the procedure specified in section 4.4 of SAE J70a shall have a pH value not less than 7.0 nor more than 11.5.

(e) *Stability of high temperature.* When tested by the procedure specified in section 4.5 of SAE J70a the boiling point of the brake fluid shall not be less than 146° C. or 294.8° F. and shall not change by more than 5.0° C. or 9.0° F.

(f) *Corrosion.* (1) Brake fluid when tested by the procedure specified in section 4.6 of SAE J70a shall not cause corrosion exceeding the limits shown in Table 1. The metal strips outside of the area where the strips are in contact shall neither be pitted nor roughened to an extent discernible to the naked eye, but staining or discoloration is permitted.

(2) The fluid-water mixtures shall show no jelling at 23°±5° C. or 73.4°±9° F. No crystalline type deposits shall form and adhere to either the glass jar walls or the surface of metal strips. The fluid-water mixture shall contain no more than 0.10 percent sediment by volume. The fluid-water mixture shall have a pH value not less than 7.0 nor more than 11.5.

(3) The test rubber cup shall show no disintegration, as evidenced by excessive tackiness, blisters, or sloughing indicated by carbon black separation on the surface of the rubber cup. The hardness of the rubber cup shall not decrease by more than 15 degrees and the base diameter shall not increase by more than 1.4 millimeter of 0.055 inch.

(g) *Fluidity and appearance at low temperatures.* At minus 40° C. or ° F., when brake fluid is tested by the procedure specified in section 4.7(a) of SAE J70a, the black contrast lines on a hiding power chart shall be clearly discernible when viewed through the fluid in the sample bottle. The fluid shall show no stratification or sedimentation and upon inversion of the sample bottle, the air bubble shall travel to the top of the fluid in not more than 10 seconds. At minus 50° C. or minus 58° F., when brake fluid is tested by the procedure specified in section 4.7(b) of SAE J70a, the black contrast lines on a hiding power chart shall be clearly discernible when viewed through the fluid in the sample bottle. The fluid shall show no stratification or sedimentation and upon inversion of the sample bottle, the air bubble shall travel to the top of the fluid in not more than 35 seconds.

(h) *Evaporation.* When brake fluid is tested by the procedure specified in section 4.8 of SAE J70a, loss by evaporation shall not exceed 80 percent by weight. Residue from the brake fluid after evaporation shall contain no precipitates that remain gritty or abrasive when rubbed with the fingertip. Residue shall have a pour point below minus 5° C. or plus 23° F.

(i) *Water tolerance.* At minus 40° C. or ° F., when brake fluid is tested by the procedure specified in section 4.9(a) of SAE J70a, the black contrast lines on a hiding power chart shall be clearly discernible when viewed through the fluid in the the centrifuge tube. The fluid shall show no stratification or sedimentation. Upon inversion of the centrifuge tube, the air bubble shall travel to the top of the fluid in not more than 10 seconds. At 60° C. or 140° F., when brake fluid is tested by the procedure specified in section 4.9(b) of SAE J70a, the fluid shall show no stratification and sedimentation shall not exceed 0.05 percent by volume either before or after centrifuging.

(j) *Compatibility.* At minus 40° C. or ° F., when brake fluid is tested by the procedure specified in section 4.10(a) of SAE J70a, the black contrast lines on a hiding power chart shall be clearly discernible when viewed through the fluid in the centrifuge tube. The fluid

shall show no stratification or sedimentation. At 60° C., or 140° F., when brake fluid is tested by the procedure specified in section 4.10(b) of SAE J70a, the fluid shall show no stratification and sedimentation shall not exceed 0.05 percent by volume either before or after centrifuging.

(k) *Resistance to oxidation.* Brake fluid when tested by the procedure specified in section 4.11 of SAE J70a shall not cause the metal strips, outside of the areas in contact with the tinfoil, to be pitted nor roughened to an extent discernible to the naked eye, but staining or discoloration is permitted. No more than a trace of gum shall be deposited on the test strips outside of the areas in contact with the tinfoil. The aluminum strips shall not decrease in weight by more than 0.05 milligrams per square centimeter and the cast iron strips shall not decrease in weight by more than 0.3 milligrams per square centimeter.

(l) *Effect on rubber.* Rubber brake cups subjected to brake fluid as specified in section 4.12 of SAE J70a, shall show no increase in hardness, shall not decrease in hardness by more than 10 degrees and shall show no disintegration as evidenced by excessive tackiness, blisters or sloughing indicated by carbon black separation on the surface of the rubber cup. The increase in the diameter of the base of the cups shall not be less than 0.15 millimeter or 0.006 inch nor more than 1.4 millimeter or 0.055 inch.

(m) *Simulated service performance.* Brake fluid when tested by the procedure specified in section 4.13 of SAE J70a, shall meet the following performance requirements:

(1) Metal parts shall not show corrosion as evidenced by pitting to an extent discernible to the naked eye, but staining or discoloration shall be permitted.

(2) The initial diameter of any cylinder or piston shall not change by more than 0.13 millimeter or 0.005 inch during test.

(3) The average lip diameter set of the rubber cups shall not be greater than 65 percent.

(4) Rubber cups shall not decrease in hardness by more than 10 degrees and shall not be in an unsatisfactory operating condition as evidenced by excessive amonuts of tackiness, scoring, scuffing, blistering, cracking, chipping (heel abrasion), or change in shape from original appearance.

(5) During any period of 24,000 strokes, the volume loss of fluid shall be not more than 36 milliliters.

(6) The cylinder pistons shall not freeze nor function improperly throughout the test.

(7) The volume loss of fluid during the 100 strokes at the end of the test shall not be more than 36 milliliters.

(8) The degree of sludging, jelling, sedimentation, or grittiness of the fluid at the end of the test shall not be in an amount likely to cause improper functioning of the brake assembly.

(9) The base diameter of the rubber cups shall not increase by more than 0.9 millimeter or 0.035 inch.

§ 6.4 Requirements for SAE Type 70R3.

SAE Type 70R3 hydraulic brake fluid shall meet the following requirements when tested in accordance with the designated procedures in SAE Standard J70a dated April 1963 for SAE 70R3:

(a) *Boiling point.* Brake fluid when tested by the procedure specified in section 8.1 of SAE J70a shall have a boiling point not less than 190° C. or 374° F.

(b) *Flash point.* Brake fluid when tested by the procedure specified in section 8.2 of SAE J70a shall have a flash point not less than 82° C. or 179.6° F.

(c) *Viscosity.* Brake fluid when tested by the procedure specified in section 8.3 of SAE J70a shall have the following kinematic viscosities: At minus 40° C. or ° F.—not more than 1,800 centistokes; at 50° C. or 122° F.—not less than 4.2 centistokes; and at 100° C. or 212° F.—not less than 1.5 centistokes.

(d) *pH value.* Brake fluid when tested by the procedure specified in section 8.4 of SAE J70a shall have a pH value not less than 7.0 or more than 11.5.

(e) *Stability at high temperature.* When tested by the procedure specified in section 8.5 of SAE J70a, the boiling point of the brake fluid shall not be less than 188° C. or 370.4° F. and shall not change by more than 5.0° C. or 9.0° F. for brake fluids boiling below 225° C. or 437° F. nor by more than 5.0° C. or 9.0° F. plus 0.05 degree for each degree that the boiling point exceeds 225° C. or 437° F.

(f) *Corrosion.* (1) Brake fluid when tested by the procedure specified in section 8.6 of SAE J70a shall not cause corrosion exceeding the limits shown in Table 1. The metal strips outside of the area where the strips are in contact shall neither be pitted nor roughened to an extent discernible to the naked eye, but staining or discoloration is permitted.

(2) The fluid-water mixtures shall show no jelling at 23°±5° C. or 73.4°±9° F. No crystalline type deposits shall form and adhere to either the glass jar walls or the surface of metal strips. The fluid-water mixture shall contain no more than 0.10 percent sediment by volume. The fluid-water mixture shall have a pH value of not less than 7.0 nor more than 11.5.

(3) The test rubber cup shall show no disintegration, as evidenced by excessive tackiness, blisters, or sloughing indicated by carbon black separation on the surface of the rubber cup. The hardness of the rubber cup shall not decrease by more than 15 degrees and the base diameter shall not increase by more than 1.4 millimeter or 0.055 inch.

(g) *Fluidity and appearance at low temperatures.* At minus 40° C. or ° F., when brake fluid is tested by the procedure specified in section 8.7(a) of SAE J70a, the black contrast lines on a hiding power chart shall be clearly discernible when viewed through the fluid in the sample bottle. The fluid shall show no stratification or sedimentation and upon inversion of the sample bottle, the air bubble shall travel to the top of the fluid in not more than 10 seconds. At minus 50° C. or minus 58° F., when brake fluid is tested by the procedure specified in section 8.7(b) of SAE J70a, the black contrast lines on a hiding power chart shall be clearly discernible when viewed through the fluid in the sample bottle. The fluid shall show no stratification or sedimentation and upon inversion of the sample bottle, the air bubble shall travel to the top of the fluid in not more than 35 seconds.

(h) *Evaporation.* When brake fluid is tested by the procedure specified in section 8.8 of SAE J70a, loss by evaporation shall not exceed 80 percent by weight. Residue from the brake fluid after evaporation shall contain no precipitates that remain gritty or abrasive when rubbed with the fingertip. Residue shall have a pour point below minus 5° C. or plus 23° F.

(i) *Water tolerance.* At minus 40° C. or ° F., when brake fluid is tested by the procedure specified in section 8.9(a) of SAE J70a, the black contrast lines on a hiding power chart shall be clearly discernible when viewed through the fluid in the centrifuge tube. The fluid shall show no stratification or sedimentation. Upon inversion of the centrifuge tube, the air bubble shall travel to the top of the fluid in not more than 10 seconds. At 60° C. or 140° F., when brake fluid is tested by the procedure specified in section 8.9(b) of SAE J70a, the fluid shall show no stratification and sedimentation shall not exceed 0.05 percent by volume either before or after centrifuging.

(j) *Compatibility.* At minus 40° C. or ° F., when brake fluid is tested by the procedure specified in section 8.10(a) of SAE J70a, the black contrast lines on a hiding power chart shall be clearly discernible when viewed through the fluid in the centrifuge tube. The fluid shall show no stratification or sedimentation. At 60° C. or 140° F., when brake fluid is tested by the procedure specified in section 8.10(b) of SAE J70a, the fluid shall show no stratification and sedimentation shall not exceed 0.05 percent by volume either before or after centrifuging.

(k) *Resistance to oxidation.* Brake fluid when tested by the procedure specified in section 8.11 of SAE J70a shall not cause the metal strips, outside of the areas in contact with the tinfoil, to be pitted nor roughened to an extent discernible to the naked eye, but staining or discoloration is permitted. No more than a trace of gum shall be deposited on the test strips outside of the areas in contact with the tinfoil. The aluminum strips shall not decrease in weight by more than 0.05 milligrams per square centimeter and the cast iron strips shall not decrease in weight by more than 0.3 milligrams per square centimeter.

(l) *Effect on rubber.* (1) Rubber brake cups subjected to brake fluid as specified in section 8.12(a) of SAE J70a shall show no increase in hardness, and shall not decrease in hardness by more than 10 degrees and shall show no disintegration as evidenced by excessive tackiness, blisters, or sloughing indicated by carbon black separation on the surface of the rubber cup. The increase in the diameter of the base of the cups shall not be less than 0.15 millimeter or 0.006 inch

nor more than 1.4 millimeter or 0.055 inch.

(2) Rubber brake cups subjected to brake fluid as specified in section 8.12(b) of SAE J70a shall show no increase in hardness, and shall not decrease in hardness by more than 15 degrees and shall show no disintegration as evidenced by excessive tackiness, blisters, or sloughing indicated by carbon black separation on the surface of the rubber cup. The increase in the diameter of the base of the cups shall not be less than 0.15 millimeter or 0.006 inch nor more than 1.4 millimeter or 0.055 inch.

(m) *Simulated service performance.* Brake fluid when tested by both Procedure I and Procedure II specified in section 8.13 of SAE J70a shall meet the following performance requirements:

(1) Metal parts shall not show corrosion as evidenced by pitting to an extent discernible to the naked eye, but staining or discoloration shall be permitted.

(2) The initial diameter of any cylinder or piston shall not change by more than 0.13 millimeter of 0.005 inch during test.

(3) The average lip diameter set of the rubber cups shall not be greater than 65 percent.

(4) Rubber cups shall not decrease in hardness by more than 10 degrees in Procedure I or by more than 15 degrees in Procedure II and shall not be in an unsatisfactory operating condition as evidenced by excessive amounts of tackiness, scoring, scuffing, blistering, cracking, chipping (heel abrasion), or change in shape from original appearance.

(5) During any period of 24,000 strokes the volume loss of fluid shall be not more than 36 milliliters.

(6) The cylinder pistons shall not freeze nor function improperly throughout the test.

(7) The volume loss of fluid during the 100 strokes at the end of the test shall not be more than 36 milliliters.

(8) The degree of sludging, jelling, sedimentation, or grittiness of the fluid at the end of the test shall not be in an amount likely to cause improper functioning of the brake assembly.

(9) The base diameter of the rubber cups shall not increase by more than 0.9 millimeter or 0.035 inch.

§ 6.5 Requirements for arctic or all-weather type.

Arctic or all-weather type hydraulic brake fluid shall have a kinematic viscosity at minus 40° C. or ° F. of not more than 300 centistokes when tested by Standard Method of Test for Kinematic Viscosity published by the American Society for Testing and Materials, 1916 Race Street, Philadelphia 3, Pennsylvania, under designation D445–61 and shall meet all other requirements for SAE Type 70R1 in § 6.3 or for SAE Type 70R3 in § 6.4.

§ 6.6 Changes in specifications.

Any person, firm or organization wishing to propose a change in these specifications may submit the detailed proposal in writing to the Director, National Bureau of Standards, U.S. Department of Commerce, Washington 25, D.C.

Effective date. The specifications prescribed herein shall become effective upon their final publication in the FEDERAL REGISTER.

TABLE 1—CORROSION TEST STRIPS AND WEIGHT CHANGES

Test strip:	*Maximum permissible weight change in milligram per square centimeter of surface*
Tinned iron, type I, grade 1, class A–2 of Federal Specification QQ–T–425	0.2
Steel, SAE 1010	.2
Aluminum, SAE AA2024	.1
Cast iron, SAE 111 or strips from housing of wheel brake cylinder, smooth machined surfaces	.2
Brass, SAE 70C	.4
Copper, SAE 71	.4

[F.R. Doc. 63–4310; Filed, Apr. 22, 1963; 8:49 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Parts 18, 43]

[Reg. Docket No. 984; Reference Draft Release No. 61–26]

PERFORMANCE OF MAINTENANCE BY AN AIR CARRIER ON OTHER THAN AIR CARRIER AIRCRAFT

Notice of Withdrawal of Proposed Rule Making

The Flight Standards Service of the Federal Aviation Agency has had under consideration a proposal to amend Parts 18 and 43 of the Civil Air Regulations to provide for the maintenance of large piston-engine and turbine-engine powered aircraft, operated by non-air-carrier operators, by air carriers operating and maintaining identical type aircraft. The reasons therefor were set forth in the explanatory statement of a notice of proposed rule making which was published in the FEDERAL REGISTER on December 8, 1961 (26 F.R. 11804), and circulated to the public as Civil Air Regulations Draft Release No. 61–26, dated December 1, 1961.

Upon further consideration and examination of the present situation by the Agency, and in the light of the comments received in response to the draft release, it now appears that it has not been clearly demonstrated that a need for the regulation exists at this time.

Whenever a situation arises where it is requested that particular aircraft be maintained by an air carrier, the case will be handled on its own merits, by exemption if appropriate. In addition, the Agency will continue its surveillance of the potential problem in this area, and take whatever future action may be necessary.

In consideration of the foregoing, the notice of proposed rule making, entitled "Performance of Maintenance by an Air Carrier on Other Than Air Carrier Aircraft" (26 F.R. 11804), and circulated as Draft Release No. 61–26, dated December 1, 1961, is hereby withdrawn.

(Sec. 313(a) of the Federal Aviation Act of 1958 (72 Stat. 752; 49 U.S.C. 1354))

Issued in Washington, D.C., on April 17, 1963.

G. S. MOORE,
Director,
Flight Standards Service.

[F.R. Doc. 63–4306; Filed, Apr. 22, 1963; 8:48 a.m.]

[14 CFR Part 71 [New]]

[Airspace Docket No. 63–SW–1]

CONTROL ZONE, TRANSITION AREA, AND CONTROL AREA EXTENSION

Proposed Alteration, Designation, and Revocation

Notice is hereby given that the Federal Aviation Agency is considering amendments to Part 71 [New] of the Federal Aviation Regulations, the substance of which is stated below.

The following controlled airspace is designated within the Midland, Tex., terminal area:

1. The Midland control zone is designated within a 5-mile radius of the Midland Air Terminal and within 2 miles either side of the Midland ILS localizer west course extending from the 5-mile radius zone to the Midland ILS outer marker.

2. The Midland control area extension is designated within a 25-mile radius of latitude 31°54′07″ N., longitude 102°-15′53″ W.; the airspace southwest of Midland bounded on the north by V–16 south alternate, on the southwest by V–79 and on the southeast by V–66 and including the airspace north of Midland bounded on the east by the east boundary of V–81, on the west by longitude 102°-13′30″ W. and on the north by latitude 33°06′00″ N.

3. The Big Spring, Tex., control area extension is designated, in part, within a 35-mile radius of the Big Spring VOR.

4. The San Angelo, Tex., control area extension is designated, in part, as that airspace northwest of San Angelo bounded on the northeast by V–76, on the southwest by B–68 and on the northwest by the arc of a 35-mile circle centered on the Spring, Tex., VOR.

5. The Hobbs, N. Mex., transition area is designated, in part, as that airspace extending upward from 1,200 feet above the surface bounded by a line extending from latitude 32°44′45″ N., longitude 102°46′15″ W., thence southeast to latitude 32°18′15″ N., longitude 102°18′50″ W., bounded on the southeast by V–16, on the southwest by a line extending from latitude 32°07′00″ N., longitude 102°48′40″ W., to latitude 32°32′00″ N., longitude 103°12′00″ W.

To implement the provisions of CAR Amendments 60–21/60–29 in the Midland terminal area, the Federal Aviation Agency has under consideration the following airspace actions:

1. Redesignate the Midland control zone to comprise that airspace within a 5-mile radius of the Midland Air Terminal (latitude 31°56′25″ N., longitude 102°12′10″ W.) and within 2 miles each side of the Midland ILS localizer northwest course, extending from the

5-mile radius zone to 7 miles northwest of the airport.

2. Revoke the Midland control area extension and designate the Midland transition area. The proposed transition area would comprise that airspace extending upward from 700 feet above the surface within a 8-mile radius of the Midland Air Terminal, excluding the portion within a 1.5-mile radius of the Midland Airpark (latitude 32°02'00" N., longitude 102°05'55" W.); within 2 miles each side of the Midland VOR 011° True radial, extending from the 8-mile radius area to 8 miles north of the VOR; within 2 miles each side of the Midland ILS localizer southeast course, extending from the 8-mile radius area to the intersection of the Midland VOR 128° and the Big Spring VOR 212° True radials; that airspace extending upward from 1,200 feet above the surface bounded by a line beginning at latitude 31°40'00" N., longitude 101°52'30" W.; thence clockwise along the arc of a 30-mile radius centered on the Midland VOR; to latitude 31°37'00" N., longitude 102°25'00" W.; to latitude 31°40'00" N., longitude 102°39'30" W.; to latitude 31°33'00" N., longitude 102°53'00" W.; to latitude 31°34'20" N., longitude 103°-33'45" W.; to latitude 32°04'50" N., longitude 102°58'00" W.; to latitude 32°-06'45" N., longitude 103°07'50" W.; to latitude 32°15'35" N., longitude 103°07'-00" W.; to latitude 32°13'40" N., longitude 102°56'30" W.; to latitude 32°19'-35" N., longitude 102°55'10" W.; to latitude 32°36'30" N., longitude 102°07'20" W.; to latitude 31°55'00" N., longitude 101°29'40" W.; to latitude 31°37'25" N., longitude 101°35'15" W.; to latitude 31°-36'35" N., longitude 101°47'20" W.; to point of beginning; that airspace extending upward from 10,000 feet MSL within 5 miles each side of the Midland VOR 283° True radial, extending from the west boundary of V-79 to its intersection with the Wink, Tex., VOR 322° True radial; and within 5 miles each side of the Wink VOR 322° True radial, extending from a line 14 miles north of and parallel to the Wink VOR 256° True radial to 35 miles from the VOR.

3. The floors of the airways that traverse the transition area proposed herein would automatically coincide with the floor of the transition area. The portions of the Big Spring and San Angelo control area extensions within the Midland transition area would have a floor coincident with the floor of the transition area and an editorial change would be made to the description of the Hobbs transition area to eliminate confliction with the proposed transition area.

The proposed alteration of the Midland control zone would reduce the northwest extension approximately 1 mile. The proposed transition area would raise the floor of controlled airspace beyond an 8-mile radius of the Midland Air Terminal, including extensions to the north and southeast, from 700 to 1,200 feet and, as a result, would make such airspace available for other uses, yet sufficient controlled airspace would be retained to provide adequate protection to aircraft executing precribed holding, arrival and departure procedures within the Midland terminal area. The additional airspace northwest, southeast and southwest of Midland would provide protection for aircraft executing prescribed holding procedures at several locations serving the Midland terminal area. Certain minor revisions to prescribed instrument procedures would be effected in conjunction with the actions proposed herein, but operational complexity would not be introduced nor would aircraft performance or present landing minimums be adversely affected.

Specific details of the changes to procedures and minimum instrument flight rules altitudes that would be required may be examined by contacting the Chief, Airspace Utilization Branch, Air Traffic Division, Southwest Region, P.O. Box 1689, Fort Worth 1, Tex.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Assistant Administrator, Southwest Region, Attn: Chief, Air Traffic Division, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room A-103, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Air Traffic Division Chief.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348).

Issued in Washington, D.C., on April 16, 1963.

CLIFFORD P. BURTON,
Chief, Airspace Utilization Division.

[F.R. Doc. 63-4278; Filed, Apr. 22, 1963; 8:45 a.m.]

[14 CFR Part 71 [New]]

[Airspace Docket No. 63-AL-4]

FEDERAL AIRWAYS, ASSOCIATED CONTROL AREAS, AND REPORTING POINTS

Proposed Alteration and Designation

Notice is hereby given that the Federal Aviation Agency is considering amendments to Part 71 [New] of the Federal Aviation Regulations, the substance of which is stated below.

The Federal Aviation Agency is commissioning VORs at Galena, Alaska (latitude 64°44'14" N., longitude 156°48'28" W.), on or about April 30, 1963, and at McGrath, Alaska (latitude 62°57'06" N., longitude 155°37'50" W.), on or about May 22, 1963. VOR Federal airway No. 440 and its control areas extend in part from Middleton Island, Alaska, via Anchorage, Alaska, to Puntilla Lake, Alaska.

The Agency has under consideration the following actions, some of which would be predicated on these new facilities and others would concern Victor 440:

1. The redescription of the Middleton Island-Anchorage segment of Victor 440 via the intersection of the Middleton Island 320° and the Anchorage 118° True radials, in lieu of the intersection of the northwest course of the Hinchinbrook, Alaska, radio range and the Anchorage 118° True radial. This segment of Victor 440 would be expanded to a 14-mile wide airway from 45 nautical miles from Middleton Island to 45 nautical miles from Anchorage.

2. The extension of VOR Federal airway No. 440 and its control areas to McGrath, Alaska, via the intersection of the Anchorage, Alaska, 309° and the McGrath 122° True radials. This segment of Victor 440 would be expanded to a 14-mile wide airway from 45 nautical miles from Anchorage to 45 nautical miles from McGrath.

3. Victor 440 and its proposed extension would be expanded at and above 24,000 feet MSL to include the additional airspace within 16 miles each side of the centerline.

4. The designation of a VOR airway between McGrath and Galena. This airway would be expanded to a 13-mile wide airway from 45 nautical miles from McGrath to 45 nautical miles from Galena. At and above 24,000 feet MSL, this airway would be expanded to include the additional airspace within 16 miles each side of the centerline.

5. The designation of a VOR airway from Galena to Nenana, Alaska. This airway would be expanded to a 14-mile wide airway from 45 nautical miles from Galena to 45 nautical miles from Nenana.

6. The designation of a VOR airway from Nenana to McGrath. This airway would be expanded to a 14-mile wide airway from 45 nautical miles from Nenana to 45 nautical miles from McGrath.

7. The designation of Galena and McGrath as reporting points at all altitudes.

The alteration of that portion of Victor 440 between Middleton Island and Anchorage by use of the Middleton Island radial in lieu of the Hinchinbrook radio range northwest course would eliminate the use of a low frequency facility in the designation of a VOR airway. Additionally, the Puntilla Lake low frequency facility would be eliminated in the extension of Victor 440 to McGrath.

The proposed extension of Victor 440 to McGrath, the proposed VOR airway designations from McGrath to Galena,

Galena to Nenana, and Nenana to McGrath would provide routes for VOR-equipped aircraft between these points. The expanded width of these airways between the 45 nautical mile points from these navigational aids would provide additional controlled airspace for aircraft operating along these airways while at a distance more than 45 nautical miles from these facilities. The expanded width of Victor 440 and the Galena to McGrath proposed airway at and above 24,000 feet MSL to a 32-mile wide airway would be to accommodate turbojet operations which cannot be contained in the normal airway width. The designation of Galena and McGrath as reporting points would provide required position reports for air traffic control purposes.

The control areas of these airways would extend upward from 700 feet above the surface. Separate actions would be initiated to implement on an area basis Amendment 60–21 to Part 60 of the Civil Air Regulations.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Assistant Administrator, Alaskan Region, Attn: Chief, Air Traffic Division, Federal Aviation Agency, P.O. Box 440, Anchorage, Alaska. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room A–103, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Air Traffic Division Chief.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348).

Issued in Washington, D.C., on April 17, 1963.

CLIFFORD P. BURTON,
Chief, Airspace Utilization Division.

[F.R. Doc. 63–4279; Filed, Apr. 22, 1963; 8:45 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Part 230]

[Release 33–4598]

CERTAIN GROUP ANNUITY CONTRACTS

Proposed Exemptions

Notice is hereby given that the Securities and Exchange Commission has under consideration a proposed new rule under the Securities Act of 1933 which would define as "transactions by an issuer not involving any public offering" in section 4(1) of that Act, transactions which are exempt from the Investment Company Act of 1940 by § 270.3c–3 of this chapter, recently adopted thereunder.

Section 270.3c–3 exempts from the provisions of the Investment Company Act of 1940 transactions by any insurance company with respect to certain group annuity contracts providing for the administration of funds held by such companies in separate accounts established and maintained pursuant to State law. It has been represented to the Commission that these contracts are individually negotiated with employers who are able to fend for themselves.

The proposed new rule provides that transactions of the character referred to therein shall come within the rule only if the transaction is not solicited by advertising which, insofar as it relates to a separate account group annuity contract, does more than identify the insurance company, state that it is engaged in the business of writing separate account contracts and invite inquiries in regard thereto. The rule provides, however, that disclosure in the course of direct discussion or negotiation of such contracts would not be prohibited.

It should be noted that the proposed rule would provide an exemption only from the provisions of section 5 of the Securities Act of 1933 and would not, therefore, afford any exemption from the antifraud provisions of the Act.

The proposed rule reads as follows:

§ 230.156 Definition of "Transactions by an issuer not involving any public offering" in section 4(1) of the Act for transactions exempted by rule 3c–3 under the Investment Company Act of 1940.

The phrase "transactions by an issuer not involving any public offering" in section 4(1) of the Act shall include any transaction which is exempt from the Investment Company Act of 1940 by reason of § 270.3c–3 of this chapter thereunder, provided the transaction is not solicited by advertising which, insofar as it relates to a separate account group annuity contract, does more than identify the insurance company, state that it is engaged in the business of writing separate account contracts and invite inquiries in regard thereto. This rule, however, shall not prohibit appropriate disclosure in the course of direct discussion or negotiation of such contracts.

The proposed rule would be adopted pursuant to authority conferred upon the Commission by section 19(a) of the Securities Act of 1933.

All interested persons are invited to submit their views and comments on the proposed rule, in writing, to the Securities and Exchange Commission, Washington 25, D.C., on or before May 16, 1963. Except where it is requested that such communication not be disclosed, they will be considered available for public inspection.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

APRIL 16, 1963.

[F.R. Doc. 63–4299; Filed, Apr. 22, 1963; 8:48 a.m.]

Notices

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[Order 566, Amdt. 9]

CONTRACTING OFFICERS

Designation and Delegation of Authority With Respect to Contracting and Related Matters

Order 566 (19 F.R. 3971), as amended (20 F.R. 2092, 5703; 21 F.R. 2290, 7460, 8219; 23 F.R. 5611; 24 F.R. 8952; 27 F.R. 12143), is further amended as hereinafter indicated.

1. Section 2 is amended to reflect designation of an additional contracting officer by the addition of subsection (f) to section 2(a)(2), and a changed organizational title of an authorized representative of a headquarters office contracting officer in section 2(b)(1)(b). The amended portions of section 2 read as follows:

SEC. 2. *Designation of Contracting Officers and Contracting Officers' authorized representatives*—(a) *Contracting Officers.* * * *

(2) *Area Office Officials'.* * * *

(f) Administrative Officer, Branch of Plant Design and Construction.

(b) *Contracting Officers' authorized representatives.* * * *

(1) *Headquarters Office Officials.* * * *

(b) Chief, Contract Staff.

2. Section 6 is amended to delete extraneous material and reads as follows:

SEC. 6 *Appeals.* An appeal from a findings of fact or decision of a contracting officer shall be made by notice of appeal in writing addressed to the Board of Contract Appeals, Office of the Solicitor, Department of the Interior, Washington 25, D.C., and shall be mailed to or filed with the contracting officer within the time allowed by the contract. The notice of appeal shall specify the portion of the findings of fact or decision from which the appeal is taken, and the reasons why the findings or decisions are deemed erroneous. Immediately upon receipt of the notice of appeal, the contracting officer shall inform the Board, by airmail, that the appeal has been received. Regulations governing appeals to the Board of Contract Appeals appear in 43 CFR Part 4.

JOHN O. CROW,
Deputy Commissioner.

APRIL 17, 1963.

[F.R. Doc. 63-4293; Filed, Apr. 22, 1963; 8:46 a.m.]

Bureau of Land Management

NEW MEXICO

Notice of Proposed Withdrawal and Reservation of Lands

APRIL 15, 1963.

The Forest Service, U.S. Department of Agriculture, has filed an application, Serial No. NM0384556, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws, including prospecting, location, entry and purchase under the U.S. mining laws, subject to valid existing rights; excepting, however, the mineral leasing laws. The applicant desires the land for establishment of an administrative site to accommodate the Jicarilla Ranger District, Carson National Forest.

For a period of 30 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, Department of the Interior, Post Office Box 1251, Santa Fe, N. Mex.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

NEW MEXICO PRINCIPAL MERIDIAN

T. 29 N., R. 5 W.,
Sec. 29, S½SW¼.

The area described contains 80 acres.

CHESLEY P. SEELY,
State Director.

[F.R. Doc. 63-4295; Filed, Apr. 22, 1963; 8:47 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 115-3]

HALLAM NUCLEAR POWER FACILITY

Proposed Issuance of Amendments to Facility License

Notice is hereby given pursuant to § 115.46(b), 10 Code of Federal Regulations 115, that unless within thirty (30) days after publication of this notice in the FEDERAL REGISTER, a request for a formal hearing is filed with the U.S. Atomic Energy Commission by North American Aviation, Inc., or by Consumers Public Power District, or a petition for leave to intervene is filed by any person whose interest may be affected as provided by and in accordance with the Commission's rules of practice, 10 CFR Part 2, the Commission proposes to issue an amendment (substantially as set forth below) to the Provisional Operating Authorization No. DPRA-1, to permit operations of the Hallam Nuclear Power Facility at powers up to 256 megawatts thermal. This authorization was requested by North American in its application dated December 27, 1962.

The Commission has found that the application, as amended, complies with the requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in title 10, chapter I, Code of Federal Regulations.

For further details with respect to this proposed amendment, see (1) the application for license dated December 27, 1962 and various additional information filed by the applicant; (2) the report of the Advisory Committee on Reactor Safeguards dated February 6, 1963; and (3) a hazards analysis by the Division of Licensing and Regulation to be available approximately twenty (20) days prior to final action on the proposed amendment. The application and the supplemental information are available for public inspection and the hazards analysis will be available for public inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C. A copy of item (2) above, and copy of item (3) above when available, may be obtained at the Commission's Public Document Room, or upon request addressed to the Atomic Energy Commission, Washington 25, D.C., Attention: Director, Division of Licensing and Regulation.

Dated at Germantown, Md., this 22 day of April 1963.

For the Atomic Energy Commission.

ROBERT LOWENSTEIN,
Director, Division of Licensing and Regulation.

[Amdt. 2]

PROVISIONAL OPERATING AUTHORIZATION NO. DPRA-1

Provisional Operating Authorization No. DPRA-1 as amended, issued to North American Aviation, Inc., is hereby amended in the following respects:

In addition to the activities previously authorized by the Commission in this authorization, as amended, North American Aviation, Inc., is hereby authorized to operate the Hallam Nuclear Power Facility at power levels up to 256 megawatts thermal in accordance with the application for amendment dated December 27, 1962, as supplemented, and with the terms and conditions of this license including the technical specifications thereto, as amended.

Date of issuance:

This amendment is effective as of the date of issuance.

For the Atomic Energy Commission.

[F.R. Doc. 63-4395; Filed, Apr. 22, 1963; 11:48 a.m.]

FEDERAL MARITIME COMMISSION

[Docket No. 1090]

FLORIDA/PUERTO RICO TRADE

General Investigation Into Common Carrier Freight Rates and Practices

It appearing, that by order dated February 1, 1963, the Commission instituted an investigation into and concerning the lawfulness of the tariffs and transportation practices of common carriers named as respondents therein, insofar as they

pertain to the Florida/Puerto Rico trade; and

It further appearing, that Motorships of Puerto Rico, Inc., has on file with the Commission freight tariff No. 1 FMC–F No. 1 which has been amended to apply between ports in Florida and ports in Puerto Rico; and

It further appearing, that the Commission is of the opinion that the transportation practices of Motorships of Puerto Rico, Inc., as well as the rates, fares, charges, rules, regulations and/or practices named in its freight tariff No. 1, FMC–F No. 1, should be made the subject of a public investigation to the same extent as the tariffs and practices of the carriers previously named respondents herein, to determine whether they are just, reasonable, and otherwise lawful under the Shipping Act, 1933, as amended or the Intercoastal Shipping Act, 1933, as amended;

Now therefore it is ordered, That this proceeding be, and it hereby is, expanded to include, in addition to matters now under investigation herein, an investigation into and a hearing concerning the lawfulness of the Florida/Puerto Rico application of the aforementioned tariff schedule with a view to making such findings and orders in the premises as the facts and circumstances shall warrant; and

It is further ordered, That Motorships of Puerto Rico, Inc., be, and it is hereby made, respondent in this proceeding and that all subsequent revisions of the matter contained in said schedule, filed by the respondent in this proceeding shall be, and they are hereby placed under investigation in this proceeding; and

It is further ordered, That (I) a copy of this order shall forthwith be served upon all respondents and protestants herein; (II) the said respondents and protestants be duly notified of the time and place of the hearing ordered; and (III) this order and notice of the said hearing be published in the FEDERAL REGISTER.

By order of the Commission, dated April 11, 1963.

[SEAL] THOMAS LISI,
Secretary.

[F.R. Doc. 63–4319; Filed, Apr. 22, 1963; 8:50 a.m.]

AMERICAN MAIL LINE, LTD., ET AL.

Notice of Agreement Filed for Approval

Notice is hereby given that the following described agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733, 75 Stat. 763; 46 U.S.C. 814):

Agreement numbered 8485–C–2, between American Mail Line, Ltd., American President Lines, Ltd., and Pacific Far East Lines, Inc., modifies agreement numbered 8485–C which provides for the creation of a corporation owned by the three parties under the name of Consolidated Marine, Inc. (Consolidated), to operate and perform terminal, husbanding and other related services for the three parties to the agreement. The purpose of the modification is to amend the voting requirements of the board of directors of Consolidated and to permit Consolidated to perform terminal, husbanding and other related services for companies other than the parties to the agreement.

Interested parties may inspect this agreement and obtain copies thereof at the Bureau of Domestic Regulation, Federal Maritime Commission, Washington, D.C., and may submit within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: April 17, 1963.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 63–4320; Filed, Apr. 22, 1963; 8:50 a.m.]

LYKES BROS. STEAMSHIP CO., INC., AND NOUVELLE COMPAGNIE HAVRAISE PENINSULAIRE DE NAVIGATION

Notice of Agreement Filed for Approval

Notice is hereby given that the following described agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733; 75 Stat. 763, 46 U.S.C. 814):

Agreement 9140, between Lykes Bros. Steamship Co., Inc. and Nouvelle Compagnie Havraise Peninsulaire De Navigation, establishes a transhipment agreement for movement of cargo on through bills of lading from ports in Malagasay, Mauritius, Reunion and the Comoro Islands to U.S. Gulf ports with transhipment at South and East African ports (Capetown-Mombasa both inclusive), in accordance with terms and conditions set forth in the agreement.

Interested parties may inspect this agreement and obtain copies thereof at the Bureau of Foreign Regulation, Federal Maritime Commission, Washington 25, D.C., or may inspect a copy at the offices of the district managers of the Commission in New York, N.Y., New Orleans, La., and San Francisco, Calif., and may submit to the Secretary, Federal Maritime Commission, Washington 25, D.C., within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: April 18, 1963.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 63–4321; Filed, Apr. 22, 1963; 8:50 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G–2712 etc.]

CITIES SERVICE CO. ET AL.

Notice of Applications, Petitions To Amend, and Date of Hearing

APRIL 12, 1963.

Cities Service Company (Operator), et al., Docket No. G–2712; Hunt Oil Company, Docket No. G–4366; Western Natural Gas Company, Docket No. G–4541; Sunray DX Oil Company, Docket No. G–5175; Deep Fork Natural Gas Company, Inc., Docket No. G–10895; J. M. Huber Corporation, Docket No. G–13291; Lone Star Producing Company, Docket No. G–13907; Texas Pacific Coal & Oil Company, Docket No. G–14848; L. C. Hoffman, Docket No. G–15816; Skelly Oil Company, Docket No. G–17460; Carter Foundation Producing Company, Docket No. G–17953; Compass Exploration Inc., Docket No. G–18119; Hassie Hunt Trust (Operator), et al., Docket No. G–20172; Belco Petroleum Corp., Docket No. CI60–475; Jade Oil & Gas Company, Inc., Docket No. CI61–558; The Superior Oil Company, Docket No. CI61–807; Alamo Corporation, Docket No. CI61–1612; Joseph E. Newman, (Operator), et al., Docket No. CI61–1658; Cities Service Company (Operator), et al., Docket No. CI61–1681; Philmore Oil Company, Inc., Docket No. CI62–304; T. H. McElvain (Operator), et al., Docket No. CI62–446; J. C. Trahan, Drilling Contractor, Inc., Docket No. CI62–521; Pan American Petroleum Corporation, Docket No. CI62–932; Bonray Oil Co. (Operator), et al., Docket No. CI62–993; Tenneco Oil Company, Docket No. CI62–1032; H. H. Blair, Docket No. CI62–1286; Dunn-Mar Oil and Gas Company, Docket No. CI62–1361; John C. Baker d/b/a Baker Oil & Gas Company, Docket No. CI62–1443; Coastal States Gas Producing Company, Docket No. CI62–1461; Standard Oil and Gas, Inc., Docket No. CI62–1464; Donald Sharp, et al., Docket No. CI62–1468; Davisson A. Benson, Jr., Docket No. CI62–1516; Sohio Petroleum Company (Operator), et al., Docket No. CI62–1523; Cleary Petroleum Inc. (Operator), et al., Docket No. CI62–1555; Gerald J. McDermott (Operator), et al., Docket No. CI63–18; Robbins Petroleum Corp. (Operator), et al., Docket No. CI63–19; Delta Drilling Co. (Operator), et al., Docket No. CI63–22; Wilshire Oil Company of Texas, Agent for the Estate of Herbert W. Grindal, et al., Docket No. CI63–23; Thomas J. Blaho, Jr., d/b/a Blaho Oil & Gas Co., Docket No. CI63–26.

Gerald J. McDermott (Operator), et al., Docket No. CI63–39; Irvin Abell, Jr., et al., Docket No. CI63–57; Jack L. Burrell (Operator), et al., Docket No. CI63–91; Willard Pease Drilling Company (Operator), et al., Docket No. CI63–95; Southern Triangle Oil Company, Inc., Docket No. CI63–99; Pioneer Production Corporation, Docket No. CI63–100; Mitchel Gas Company, Docket No. CI63–108; Fairfax Oil & Gas Company, Docket No. CI63–109; Brookside Oil & Gas Company, Docket No. CI63–110; Tommy Ward Drilling Company, Docket No. CI63–114; Devonian Gas & Oil Company,

Docket No. CI63–115; Pace-Bower Construction Company, Docket No. CI63–116; Drilling and Exploration Company, Inc. (Operator), et al., Docket No. CI63–121; Hall-Jones Oil Corporation, Docket No. CI63–128; Jake L. Hamon, Docket No. CI63–132; Jake L. Hamon, Docket No. CI63–133; Arthur L. Nicholson, Docket No. CI63–134; Trio Oil & Gas Company, Inc., Docket No. CI63–135; Dalton and Hanna, Docket No. CI63–137; Harry Kalish, et al., Docket No. CI63–138; A. H. Wadsworth, Jr., Docket No. CI63–145; French Creek Gas Company, Docket No. CI63–158; Union Texas Petroleum, Division of Allied Chemical Corporation (Operator), et al., Docket No. CI63–213; Marshall R. Sanquinet, Docket No. CI63–246; Harry D. Bush, et al., Docket No. CI63–255; Harry D. Bush, et al., Docket No. CI63–256; Worldwide Petroleum Corporation (Operator), et al., Docket No. CI63–268; Samedan Oil Corporation, et al., Docket No. CI63–285; Mountain States Petroleum Corporation, Docket No. CI63–290; Joseph G. Kluthe (Operator), et al., Docket No. CI63–295; E. L. Fundingsland, Docket No. CI63–303; Cities Service Petroleum Company, Docket No. CI63–316; Frank A. Schultz, et al., Docket No. CI63–318; Amax Petroleum Corp. (Operator), et al., Docket No. CI63–403; The Bradley Producing Corporation, Docket No. CI63–413; Sohio Petroleum Company, Docket No. CI63–456; Sohio Petroleum Company, et al., Docket No. CI63–514; Humble Oil & Refining Company, Docket No. CI63–516; Mrs. Tom J. Moffitt, et al., Docket No. CI63–546; Walter E. Smith, et al., d/b/a G. M. Yeager Gas Company, Docket No. CI63–622; Walter E. Smith, et al., d/b/a J. L. Jarvis, et al. Oil & Gas Company, Docket No. CI63–623; Amax Petroleum Corp. (Operator), et al., Docket No. CI63–642; The Sidwell Corporation, Docket No. CI63–648; Delhi-Taylor Oil Corporation, Docket No. CI63–651; Skelly Oil Company, Docket No. CI63–672.

Jas. F. Smith (Operator), et al., Docket No. CI63–677; Humble Oil & Refining Company, Docket No. CI63–681; Lester Wilkonson (Operator), et al., Docket No. CI63–682; Dan J. Harrison, Jr. (Operator), et al., Docket No. CI63–684; Ozark-Mahoning Company, Docket No. CI63–685; Ozark-Mahoning Company, Docket No. CI63–686; Avery & Hulver (Operator), et al., Docket No. CI63–687; Toto Gas Company, Docket No. CI63–698; Murphy Corporation (Operator), et al., Docket No. CI63–701; Cities Service Petroleum Company, Docket No. CI63–709; Cities Service Petroleum Company, Docket No. CI63–710; Union Producing Company, Docket No. CI63–714; Sunray DX Oil Company, Docket No. CI63–721; Calder, N. Bruce & Curtis E., Jr., d/b/a Horizon Oil & Gas Company, Docket No. CI63–722; The Preston Oil Company, Docket No. CI63–724; Ridgely Inc., Docket No. CI63–729; Brookside Oil & Gas Company, Docket No. CI63–732; N. G. Clark, Docket No. CI63–737; Thomas J. Blaho, Jr., d/b/a Blaho Oil & Gas Company, Docket No. CI63–739; BTA Oil Producers (Operator), et al., Docket No. CI63–741; Socony Mobil Oil Company, Inc., Docket No. CI63–742; E. A. Ballengee d/b/a Russell Gas & Oil Company, Docket No. CI63–746; B & B Gas and Oil Company, Inc., Docket No. CI63–747; Barnwell, Inc., Docket No. CI63–749; Frank Moore, et al., Docket No. CI63–758.

Take notice that each of the above Applicants has filed an application pursuant to section 7(c) of the Natural Gas Act for a Certificate of Public Convenience and Necessity or a petition to amend an outstanding certificate all involving the sale and delivery of natural gas in interstate commerce for resale all as more fully described in the respective applications including amendments thereto and petitions to amend which are on file with the Commission and open to public inspection.

The Applicants herein produced and propose to initiate, add or delete the sale of natural gas as indicated below:

Docket No. and date filed	Purchaser	Field and location	Price per Mcf	Pressure base
C G–2712 [1] 6–3–59 7–31–62	Texas Eastern Transmission Corp.	Carthage Field, Panola County, Tex.	11.0	14.65
C G–4366 11–29–62	Arkansas-Louisiana Gas Co.	Waskon Field, Caddo Parish, La.	12.8922	15.025
C G–4541 7–23–62	El Paso Natural Gas Co.	S. D. Wimberly Lease, Lea County, N. Mex.	9.0	14.65
C G–5175 12–14–62	United Gas Pipe Line Co.	North McFaddin Field, Victoria County, Tex.	14.6	14.65
C G–10895 [2] 10–13–60	Texas Eastern Transmission Corp.	Illinois Basin Area, Saline County, Ill.	20.0	14.65
C G–13291 7–5–62	Northern Natural Gas Co.	Farnsworth Field, Hansford County, Tex.	16.5	14.65
C G–13907 12–4–62	Transcontinental Gas Pipe Line Corp.	Pleasanton Field Lease, Atascosa County, Tex.	14.69575	14.65
C G–14848 9–4–62	El Paso Natural Gas Co.	Basin Dakota and Mesa Verde Fields, San Juan County, N. Mex.	13.0	15.025
A G–15816 [3] 8–4–58 7–30–62	Southern Natural Gas Co.	Logansport Field, De Sota Parish, La.	13.4855	15.025
C G–17460 11–29–62	El Paso Natural Gas Co.	Ignacio Blanco-LaPlata County, Colo.	13.0	15.025
C G–17953 7–27–62	do.	Langlie-Mattix Field, Lea County, N. Mex.	9.0	14.65
C G–18119 [4] 8–20–62	do.	Acreage in Mesa Verde Field, La-Plata County, Colo.	13.0	15.025
C G–20172 7–30–62	Texas Gas Transmission Corp.	Sugar Creek Field, Clairborne and Lincoln Parishes, La.	18.25	15.025
C CI60–475 6–14–62	El Paso Natural Gas Co.	Acreage in Lincoln and Sublette Counties, Wyo.	15.0	14.65
C CI61–558 [3] 10–30–60	Texas Gas Transmission Corp.	Acreage in Saline County, Ill.	----------	----------
C CI61–807 3–19–62	Valley Gas Transmission, Inc.	Orcones Field, Duval County, Tex.	14.0	14.65
C CI61–1612 7–2–62	Panhandle Eastern Pipe Line Co.	Acreage in Morton County, Kans.	16.0	14.65
C CI61–1658 6–7–62	do.	Carver Robbins Pool, Pratt County, Kans.	16.0	14.65
C CI61–1681 11–19–62	United Gas Pipe Line Co.	Acreage in Magee-Smith County, Miss.	18.0	15.025
A CI62–304 [5] 5–23–62	El Paso Natural Gas Co.	Acreage in Nolan County, Tex.	14.5	14.65
C CI62–446 7–19–62	do.	Ignacio-Blanco Mesa Verde Fields, LaPlata County, Colo.	13.0	15.025
C CI62–521 8–1–62	Texas Gas Transmission Corp.	West Monroe Field, Union Parish, La.	16.75	15.025
A CI62–932 2–12–62	Northern Natural Gas Co.	Yates Pool, Pecos County, Tex.	14.0	14.65
A CI62–993 2–26–62	Cities Service Gas Co.	West Zion Field, Grant County, Okla.	13.0	14.65
A CI62–1032 [7] 3–5–62	United Gas Pipe Line Co. and American Louisiana Pipe Line Co.	Lafourche Crossing, Lafourche Parish, South Louisiana and East Cheniere Perdue Fields, Cameron Parish, La.	11.5 and 19.75	15.025
A CI62–1286 5–3–62	Colorado Interstate Gas Co.	Greenwood Field, Morton County, Kans.	16.0	14.65
A CI62–1361 [8] 5–17–62	South Penn Natural Gas Co.	Troy District, Gilmer County, W.Va.	12.0	15.325
A CI62–1443 [9] 5–31–62	Hope Natural Gas Co.	Murphy District, Ritchie County, W.Va.	20.0	15.325
A CI62–1461 6–6–62	The Altex Corp.	Tsesmelis-Jim Wells County, Tex.	13.8452	14.65
A CI62–1464 [10] 6–7–62	Hope Natural Gas Co.	Salt Lick District, Braxton County, W.Va.	20.0	15.325
A CI62–1468 [11] 6–8–62	N. J. Riley d/b/a Banquete Gas Co.	Spartan Field, San Patricio County, Tex.	9.0	14.65
A CI62–1516 [12] 6–20–62	Hope Natural Gas Co.	Union District, Clay County, W.Va.	20.0	15.325
A CI62–1523 [13] 6–20–62	El Paso Natural Gas Co.	Spraberry Trend Area, Upton County, Tex.	17.2995	14.65
A CI62–1555 6–27–62	Northern Natural Gas Co.	Como Area and Unnamed Beaver Field, Beaver County, Okla.	17.0	14.65
A CI63–18 7–3–62	Natural Gas Pipeline Co. of America.	Acreage in Ochiltree County, Tex.	17.0	14.65
A CI63–19 7–5–62	Lone Star Gas Co.	Henderson Field, Rush County, Tex.	14.49	14.65
A CI63–22 7–5–62	do.	Danville Area, Rush County, Tex.	14.49	14.65
A CI63–23 [14] 7–5–62	El Paso Natural Gas Co.	North Heiner Area, Pews County, Tex.	15.709	14.65
A CI63–26 7–6–62	Equitable Gas Co.	Troy District, Gilmer County, W.Va.	25.0	15.325
A CI63–39 7–11–62	Northern Natural Gas Co.	Acreage in Ochiltree County, Tex.	16.5	14.65
A CI63–57 [15] 7–13–62	El Paso Natural Gas Co.	Vinegarone Field, Val Verde County, Tex.	12.5	14.65
A CI63–91 [16] 7–20–62	do.	Payton (Devonian) Field, Ward County, Tex.	15.6488	14.65
A CI63–95 7–23–62	Grand Valley Transmission Co.	Acreage in Grand County, Utah.	12.0	15.025

Filing code: A—Initial service.
C—Petition to amend certificate.

See footnotes at end of table.

Docket No. and date filed	Purchaser	Field and location	Price per Mcf	Pressure base
A CI63-99 7-23-62	Hope Natural Gas Co	New Milton District, Doddridge County, W.Va.	25.0	15.325
A CI63-100 7-23-62	Northern Natural Gas Co	McKinney-Meade and Clark Counties, Kans.	15.0	14.65
A CI63-108 7-24-62	Hope Natural Gas Co	Baileysville District, Wyoming County, W.Va.	25.0	15.325
A CI63-109 7-24-62	do	Murphy District, Ritchie County, W. Va.	25.0	15.325
A CI63-110 7-24-62	do	Collins Settlement District, Lewis County, W. Va.	25.0	15.325
A CI63-114 7-25-62	Northern Natural Gas Co	Como Area-Beaver County, Okla	17.0	14.65
A CI63-115 7-25-62	Hope Natural Gas Co	New Milton District, Doddridge County, W. Va.	25.0	15.325
A CI63-116 7-25-62	do	Court House District, Lewis County, W. Va.	25.0	15.32
A CI63-121 7-26-62	Panhandle Eastern Pipe Line Co	Spooney Field, Hansford County, Tex.	17.0	14.65
A CI63-128 7-27-62	Northern Natural Gas Co	Como Area and Unnamed Beaver County Field, Beaver County, Okla.	17.0	14.65
A CI63-132 7-30-62	do	Panhandle Area, Beaver County, Okla.	17.0	14.65
A CI63-133 7-30-62	do	do	17.0	14.65
A CI63-134 7-30-62	Hope Natural Gas Co	Murphy District, Ritchie County, W. Va.	25.0	15.325
A CI63-135 7-30-62	Equitable Gas Co	Southwest District, Doddridge County, W. Va.	25.0	15.325
A CI63-137 [17] 7-31-62	Hope Natural Gas Co	Elk and Union Districts, Barbour County, W. Va.	20.0	15.325
A CI63-138 7-31-62	United Fuel Gas Co	Union District, Clay County, W. Va.	25.0	15.325
A CI63-145 7-30-62	Tennessee Gas Transmission Co	Nada-Wharton and Colorado Counties, Tex.	16.16947	14.65
A CI63-158 [18] 3-6-62	Hope Natural Gas Co	Meade District, Upshur County, W. Va.	20.0	15.325
C CI63-213 12-3-62	El Paso Natural Gas Co	Basin Dakota Field, San Juan County, N. Mex.	13.0	15.025
A CI63-246 [19] 8-2-62	Valley Gas Transmission, Inc	Hinnant Field, Live Oak County, Tex.	14.0000	14.65
A CI63-255 [20] 8-23-62	Hope Natural Gas Co	Miller Leases, DeKalb District, Gilmer County, W. Va.	20.0	15.325
A CI63-256 [20] 8-23-62	do	Acreage in DeKalb District, Gilmer County, W. Va.	20.0	15.325
A CI63-268 8-27-62	Cities Service Gas Co	Beaver Field, Stephens County, Okla.	15.0	14.65
A CI63-285 9-4-62	Northern Natural Gas Co	South Plainview Field, Beaver County, Okla.	17.0	14.65
A CI63-290 9-4-62	El Paso Natural Gas Co	Basin Dakota Field, LaPlata County, Colo.	13.0	15.035
A CI63-295 9-4-62	do	South Andrews Field, Andrews County, Tex.	8.0	14.65
A CI63-303 9-5-62	do	Rio Arriba County, N. Mex	11.0	15.025
A CI63-316 9-6-62	Northern Natural Gas Co	Beaver County, Okla	17.0	14.65
A CI63-318 9-7-62	El Paso Natural Gas Co	Dakota Gas Pools, San Juan County, N. Mex.	13.0	15.025
A CI63-403 [21] 9-17-62	do	Bar-X Unit Area, Grand County, Utah, and Mesa County, Colo.	12.0	15.025
A CI63-413 10-1-62	Northern Natural Gas Co	Acreage in Como-Beaver County, Okla.	17.0	14.65
A CI63-456 10-8-62	Champlin Oil & Refining Co	Lockridge (West Edmond Area), Logan County, Okla.	9.0	14.65
A CI63-514 [22] 10-17-62	El Paso Natural Gas Co	Acreage in Spraberry-Upton County, Tex.	10.096	14.65
A CI63-516 10-19-62	Champlin Oil & Refining Co	Lockridge (West Edmond Area), Logan County, Okla.	9.0	14.65
A CI63-546 10-23-62	United Gas Pipe Line Co	Cotton Valley-Webster Parish, La	10.74317 and 11.76876	15.025
A CI63-622 [23] 11-13-62	Cabot Corp	Sherman and Center Districts, Calhoun County, W. Va.	12.0	15.325
A CI63-623 [23] 11-13-62	do	do	12.0	15.325
A CI63-642 [21] 11-7-62	El Paso Natural Gas Co	Bar-X Area, Grand County, Utah, and Mesa County, Colo.	12.0	15.025
A CI63-648 11-19-62	do	Basin Dakota Field, San Juan County, N. Mex.	13.0	15.025
A CI63-651 11-19-62	do	Acreage in LaPlata County, Colo	13.0	15.025
A CI63-672 11-21-62	Natural Gas Pipeline Co. of America.	East Bay City-Matagorda County, Tex. (R.R. District No. 3).	18.0	14.65
A CI63-677 11-26-62	Kansas-Nebraska Natural Gas Co., Inc.	Acreage in Dombey-Beaver County, Okla.	11.0 and 15.0	14.65
A CI63-681 11-26-62	Natural Gas Pipeline Co. of America.	Acreage in Camrick-Beaver County, Okla.	17.0	14.65
A CI63-682 11-23-62	Kansas-Colorado Utilities, Inc	Acreage in Hugoton-Grant County, Kans.	12.0	14.65
A CI63-684 11-23-62	Texas Eastern Transmission Corp	Northeast Nada Field, Colorado County, Tex.	15.0	14.65
A CI63-685 11-26-62	Natural Gas Pipeline Co. of America.	Camrick Southeast Field, Beaver County, Okla.	17.0	14.65
A CI63-686 11-26-62	Northern Natural Gas Co	Acreage in Beaver County, Okla	17.0	14.65
A CI63-687 11-26-62	Texas Eastern Transmission Corp	East Holly-DeWitt County, Tex	10.8	14.65
A CI63-698 11-30-62	Wunderlich Development Co	Southeast Autwine Field, Kay County, Okla.	6.2	14.65
A CI63-701 11-30-62	Arkansas-Louisiana Gas Co	Lick Creek-Claiborne Parish, La	13.50	15.025
A CI63-709 12-3-62	Natural Gas Pipeline Co. of America.	Camrick Southeast Field, Allen B Unit, Beaver County, Okla.	17.0	14.65
A CI63-710 12-3-62	do	Camrick Southeast Field, Morgan Unit, Beaver County, Okla.	17.0	14.65
A CI63-714 12-3-62	Texas Eastern Transmission Corp	Acreage in Platt-Angelina County, Tex.	12.0	14.65
A CI63-721 12-4-62	do	Acreage in Karon-Live Oak County, Tex.	11.8	14.65
A CI63-722 12-5-62	Panhandle Eastern Pipe Line Co	Hansford Field, Hansford County, Tex.	17.0	14.65
A CI63-724 12-5-62	The Manufacturers Light & Heat Co.	Center District, Wetzel County, W. Va.	20.0	15.325
A CI63-729 [24] 12-6-62	Northern Natural Gas Co	Farnsworth Field, Ochiltree County Tex.	15.5	14.65
A CI63-732 12-10-62	Equitable Gas Co	Court House District, Lewis County W. Va.	25.0	15.325
A CI63-737 12-10-62	do	do	25.0	15.325
A CI63-739 12-10-62	do	Troy District, Gilmer County, W. Va.	25.0	15.325
A CI63-741 12-10-62	El Paso Natural Gas Co	Spraberry Field, Reagan County, Tex.	16.0	14.65
A CI63-742 12-10-62	Northern Natural Gas Co	Northeast Ivanhoe Field, Beaver County, Okla.	17.0	14.65
A CI63-746 12-12-62	Penova Interests	Murphy District, Ritchie County, W. Va.	19.0	15.325
A CI63-747 12-12-62	Equitable Gas Co	Lincoln District, Marion County, W. Va.	25.0	15.325
A CI63-749 12-13-62	Arkansas-Louisiana Gas Co	Cheniere Brake-Ouachita Parish, La.	18.3333	15.025
A CI63-758 12-17-62	Equitable Gas Co	Troy District, Gilmer County, W. Va.	25.0	15.325

See footnotes at end of table.

[1] The amendment filed in Docket No. G-2712, on July 31, 1962, seeks authority to sell surplus residue gas to Texas Eastern Transmission Corp. from Applicant's Panola Gasoline Plant in addition to United Gas Pipe Line Co. and Arkansas-Louisiana Gas Co. The amendment filed June 3, 1959, proposes to allow Arkansas-Louisiana Gas Co. prior right to purchase all or any part of the available gas from the Panola Plant, in such volumes as it may require from time to time, pursuant to a letter agreement dated May 8, 1959.

[2] Deep Fork in Docket No. G-10895 seeks authorization to (1) re-lay approximately 8 miles of 3-inch and 4-inch gathering lines due to depletion of certain reserves, (2) connect new sources of casinghead gas, and (3) connect its gathering system to the system being operated by Jade. Jade in Docket No. CI61-558 seeks authorization to amend the authorization granted in G-9760 to (1) extend its gathering system by laying approximately 10 miles of additional 3-inch, 4-inch and 5-inch lines to pickup additional gas available from a number of producers in the Saline County Area and (2) connect its system with that of Deep Fork, so that the casinghead gas gathered by both will be transported through the two gathering systems for delivery to a processing plant. Jade and Deep Fork will deliver and sell the gas, after processing, to Texas Eastern Transmission Corp. (Texas Eastern), with Deep Fork using parts of Jade's gathering system for delivery of its share of gas to Texas Eastern. The application in CI61-558 will be treated as a petition to amend certificate in G-9760.

[3] The application in Docket No. G-15816 was amended on July 30, 1962, to substitute L. C. Hoffman as Applicant in lieu of L. C. Hoffman and Raymond Sigmon.

[4] Applicant in Docket No. G-18119 seeks to include authorization from acreage acquired from U.S. Smelting Refining and Mining Co. Said acreage was hereto dedicated in Docket No. G-10191.

[6] The initial application in Docket No. CI62-304 was filed by Jack N. Blair (Operator), et al. and amended on May 23, 1962, by Philmore Oil Co. to be substituted in lieu of Blair as applicant.
[7] The application in Docket No. CI62-1032 seeks authorization to continue service heretofore authorized in Docket Nos. G-4563 and G-18820 and will be treated herein as a petition to amend said certificates.
[8] The application in Docket No. CI62-1361 proposes to continue a portion of the service heretofore authorized in Docket No. G-4573.
[9] The application in Docket No. CI62-1443 proposes to continue service heretofore authorized in Docket No. G-15157.
[10] The application in Docket No. CI62-1464 proposes to continue service heretofore authorized in Docket No. CI62-410.
[11] The application in Docket No. CI62-1468 proposes to continue service heretofore authorized in Docket No. G-18015.
[12] The application in Docket No. CI62-1516 proposes to continue that portion of the service heretofore authorized in Docket No. G-5419 involving the interest of E. R. and James Reed under Hope Natural Gas Company's purchase contract No. 704.
[13] The application in Docket No. CI62-1523 proposes to continue service heretofore authorized in Docket Nos. G-14400, G-14584 and CI62-1339.
[14] Applicant in Docket No. CI63-23 proposes to continue service heretofore authorized in Docket No. G-13090.
[15] Applicant in Docket No. CI63-57 proposes to continue service heretofore authorized in Docket No. G-15349.
[16] Applicant in Docket No. CI63-91 proposes to continue service heretofore authorized in Docket No. G-4693.
[17] Applicant in Docket No. CI63-137 proposes to continue service heretofore authorized in Docket No. G-5980.
[18] Applicant in Docket No. CI63-158 proposes to continue service heretofore authorized in Docket No. G-5414.
[19] The initial application in Docket No. CI63-246 was filed on July 2, 1962, by Majestic Oil & Gas Co. for authorization to continue service heretofore authorized in Docket No. CI61-884. On Aug. 2, 1962, Marshall R. Sanquinet filed an amendment to the pending application as successor to Majestic to render the proposed service.
[20] On Aug. 23, 1962, Harry D. Bush, et al. (Bush) filed certificate applications in Docket Nos. CI63-255 and CI63-256 for authorization to continue the services formerly rendered by Kenneth P. Milliken, Trustee (Milliken) and S. M. Vockel, Jr., Trustee (Vockel), pursuant to certificate authorizations issued in Docket Nos. G-8392 and CI61-337, respectively. By two separate deeds, each dated August 16, 1961, Milliken and Vockel transferred the acreages covered in Docket Nos. G-8392 and CI61-337, respectively, to Bush.
[21] The applications in Docket Nos. CI63-403 and CI63-642 were filed by Amax Petroleum Corp. to continue service heretofore authorized in Docket Nos. G-13765 and G-10842, respectively.
[22] Applicant in Docket No. CI63-514 proposes to continue service heretofore authorized in Docket Nos. G-7380, G-7381, G-7384, G-7385, G-7386, G-7387, G-10463, and G-13831.
[23] The applications in Docket Nos. CI63-622 and CI63-623 seek authority to continue service heretofore authorized in Docket Nos. G-2960 and G-2958, respectively.
[24] The applicant in Docket No. CI63-729 seeks authorization to continue service heretofore authorized in Docket No. G-12769.

Each Applicant in this consolidated proceeding has filed a related rate schedule for the proposed service, as indicated in the foregoing tabulation.

These matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on May 23, 1963, at 9:30 a.m., e.d.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such applications and petitions: *Provided, however,* That the Commission may, after a noncontested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before April 30, 1963. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made: *Provided, further,* That if a protest, petition to intervene or notice of intervention be timely filed in any of the above dockets, the above hearing date as to that docket will be vacated and a new date for hearing will be fixed as provided in § 1.20(m) (2) of the Commission's rules of practice and procedure.

GORDON M. GRANT,
Acting Secretary.

[F.R. Doc. 63-4158; Filed, Apr. 22, 1963; 8:45 a.m.]

[Docket No. E-7090]

ARKANSAS POWER & LIGHT CO.

Order To Show Cause and Providing for Hearing

APRIL 16, 1963.

Arkansas Power & Light Co. (Arkansas Power), Little Rock, Ark., incorporated under the laws of the State of Arkansas, conducts utility operations at wholesale for resale or at retail in the States of Arkansas, Tennessee, Missouri, and Louisiana. Arkansas Power owns and operates interconnected electric facilities in the States of Arkansas, Tennessee, Missouri, and Louisiana, which facilities are also interconnected with electric facilities of the Empire District Electric Co., Louisiana Power & Light Co., Mississippi Power & Light Co., Tennessee Valley Authority, Oklahoma Gas & Electric Co., Southwestern Electric Power Co., and Arkansas-Missouri Power Co. Arkansas Power regularly transmits to or interchanges electric power and energy with each of those seven utilities.

Arkansas Power reports that it currently provides electric energy service at wholesale for resale to 23 purchasers for which it has no established rate schedules on file with this Commission. Those purchasers are as follows: Southwestern Power Administration, Citizens Light & Power Co., Public Utilities Co. of Crossett, West Memphis, North Little Rock, Prescott, Hope, and Osceola, Ark., Benton Municipal Light & Water Works, Ashley-Chicot Electric Cooperative, Inc., Riceland Electric Cooperative, Inc., C. & L. Rural Electric Cooperative Corp., Craighead Electric Cooperative Corp., Woodruff Electric Cooperative Corp., Petit Jean Electric Cooperative Corp., First Electric Cooperative Corp., Farmers Electric Cooperative Corp., Carroll Electric Cooperative Corp., South Central Electric Cooperative, Inc., Southwest Arkansas Electric Cooperative Corp., Ouachita Rural Electric Cooperative Corp., Mississippi County Electric Cooperative, Inc., and North Arkansas Electric Cooperative, Inc. Arkansas Power's annual report for 1961 shows that its wholesale sales to those purchasers totaled 723,542,000 kilowatt-hours.[1] Its total wholesale sales for resale to all purchasers during 1961 were 928,195,000 kilowatt-hours.[1]

Arkansas Power currently has on file with this Commission the following rate schedules: Rate schedule FPC Nos. 10 and 11, Tennessee Valley Authority; rate schedule FPC No. 13 and supplement Nos. 1 (including exhibit "A") and 2 thereto, Arkansas-Missouri Power Co.; rate schedule FPC No. 14, including exhibit "A", and supplement Nos. 1, 2, 3, 4, 5, 6, 7, and 8 thereto, the Empire District Electric Co.; rate schedule FPC No. 18 and supplement No. 1 thereto, Louisiana Power & Light Co., Mississippi Power & Light Co.; rate schedule FPC No. 19 and supplement Nos. 2, 3, 4, 5, 6A, 6B, 6C, 6D, and 6E thereto, Oklahoma Gas & Electric Co.; and rate schedule FPC No. 20 and supplement Nos. 1 and 2, together with supplement No. 1 to each, and supplement Nos. 3, 4, 5, 6, and 7 thereto, Southwestern Electric Power Co.

By letter dated August 3, 1962, the foregoing circumstances were brought to the company's attention together with a staff request that the company undertake appropriate action to establish rate schedules for its wholesale sales to the above-named 23 purchasers pursuant to the requirements of section 205 of the Federal Power Act and part 35 of the Commission's regulations thereunder. By letter dated August 31, 1962, the company submitted certain data regarding those sales for the information of the Commission but declined to undertake the filing of rate schedules therefor.

The Commission finds: In view of the foregoing, it is necessary and appropriate for the purposes of the Federal Power Act, particularly sections 205, 206, 308, and 309 thereof, that Arkansas Power be directed to show cause in writing and at a formal hearing why the Commission should not find and determine that the sales at wholesale for resale to the 23 purchasers referred to in the recital above are sales at wholesale in interstate commerce subject to the jurisdiction of this Commission under the provisions of the Federal Power Act for which Arkansas Power must file appropriate rate schedules in the manner provided in part 35 of the Commission's regulations under that act.

The Commission orders:

(A) A public hearing shall be held on June 24, 1963, commencing at 10 a.m., e.d.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., at which Arkansas Power shall show cause why the Commission should not:

(1) Find and determine that Arkansas Power is a public utility within the meaning of that term as used in the Federal Power Act by reason of its ownership and operation of facilities for the transmission and sale at wholesale of electric energy in interstate commerce;

[1] Includes 86,000,000 kilowatt-hours sold to Southwestern Power Administration under an interchange arrangement and reflects net interchanges of energy with other electric utilities.

(2) Find and determine that in each instance Arkansas Power's sales at wholesale for resale to the 23 purchasers referred to in the recital above are sales at wholesale in interstate commerce, subject to the provisions of sections 205 and 206 of the Federal Power Act and part 35 of the Commission's regulations thereunder;

(3) Find and determine that at least since January 1961, Arkansas Power has been violating and threatens to continue violating the provisions of section 205 of the act and part 35 of the Commission's regulations thereunder;

(4) Order Arkansas Power to file rate schedules for its wholesale electric service to the 23 purchasers referred to in the recital above in accordance with the provisions and requirements of section 205 of the act and part 35 of the Commission's regulations thereunder; and

(5) Issue such other orders and take such other actions as may be necessary or appropriate to bring about compliance with the Federal Power Act and the Commission's regulations thereunder.

(B) On or before May 6, 1963, Arkansas Power shall respond to this order through answer as provided in § 1.9(c) of the Commission's rules of practice and procedure, 18 CFR 1.9(c).

(C) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37) on or before May 1, 1963.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-4285; Filed, Apr. 22, 1963; 8:45 a.m.]

[Docket Nos. RI63-398—RI63-400]

CHRISTIE, MITCHELL & MITCHELL CO. ET AL.

Order Providing for Hearings on and Suspension of Proposed Changes in Rates [1]

APRIL 16, 1963.

Christie, Mitchell & Mitchell Co., et al., Docket No. RI63-398; Sun Oil Co., Docket No. RI63-399; The Atlantic Refining Co. (operator), et al., Docket No. RI63-400.

The above-named respondents have tendered for filing proposed changes in presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission. All of the sales are made at a pressure base of 14.65 p.s.i.a. The proposed changes, which constitute increased rates and charges, are designated as follows:

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf		Rate in effect subject to refund in docket Nos.
									Rate in effect	Proposed increased rate	
RI63-398	Christie, Mitchell and Mitchell Co., et al., 12th Floor, Houston Club Building, Houston 2, Tex.	21	3	United Gas Pipe Line Co., (North LaWard Field, Jackson County, Tex.) (R.R. District No. 2).	$44,482	3-20-63	[1] 4-20-63	9-20-63	14.1792	[4] 15.1920	----------
RI63-399	Sun Oil Co., 1608 Walnut Street, Philadelphia 3, Pa.	107	4	Natural Gas Pipeline Co. of America, (Camrick Field, Beaver County, Okla.) (Panhandle area).	118	3-25-63	[3] 5- 8-63	10- 8-63	[4] 16.8	[2] [4] 17.0	RI62-397
	Sun Oil Co	116	4	Natural Gas Pipeline Co. of America, (Camrick Field, Beaver County, Okla.) (Panhandle area).	50	3-25-63	[3] 5- 8-63	10- 8-63	[4] 16.8	[2] [4] 17.0	RI62-397
RI63-400	The Atlantic Refining Co. (operator), et al., P.O. Box 2819, Dallas 21, Tex.	133	18	Natural Gas Pipeline Co. of America, (Camrick SE. Field, Texas and Beaver Counties, Okla.) (Panhandle area).	2,340	3-22-63	[3] 5-10-63	10-10-63	[4] 17.2	[2] [4] 17.4	RI62-398

[1] The stated effective date is the first day after expiration of the required statutory notice.
[2] Periodic rate increase.
[3] The stated effective date is the effective date requested by Respondent.
[4] Subject to a downward Btu adjustment.

Christie, Mitchell & Mitchell Co., et al. requests an effective date of March 31, 1963, for its proposed rate increase. Good cause has not been shown for the granting of an earlier effective date and such request is denied.

The proposed increased rates and charges exceed the applicable area price levels for increased rates as set forth in the Commission's statement of general policy No. 61-1, as amended (18 CFR ch. I, part 2, § 2.56).

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of the proposed changes and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR ch. I), public hearings shall be held upon dates to be fixed by notices from the Secretary concerning the lawfulness of the proposed increased rates and charges contained in the above-designated supplements.

(B) Pending hearings and decisions thereon, the above-designated rate supplements are hereby suspended and the use thereof deferred until the date indicated in the above "Date suspended until" column, and thereafter until such further time as they are made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby, shall be changed until these proceedings have been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before May 29, 1963.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-4287; Filed, Apr. 22, 1963; 8:45 a.m.]

[Docket No. CP63-250]

EL PASO NATURAL GAS CO.

Notice of Application and Date of Hearing

APRIL 16, 1963.

Take notice that on March 8, 1963, El Paso Natural Gas Co. (El Paso), a Delaware corporation, whose mailing address is Post Office Box 1492, El Paso 99, Tex., filed at docket No. CP63-250 an application for a certificate of public convenience and necessity under section 7(c) of the Natural Gas Act, as amended, authorizing the construction and operation of certain facilities and the sale and delivery of natural gas to Cascade Natural Gas Corp. (Cascade) for transportation to and resale and general distribution in the community of Othello, Washington, and environs, all as more fully set forth in the application on file with the Commission and open to public inspection.

El Paso proposes to construct, at an estimated cost of $117,000, approximately 50 miles of 4½-inch O.D. lateral pipe-

[1] This order does not provide for the consolidation for hearing or disposition of the matters covered herein, nor should it be so construed.

line, and related facilities, extending from a point of connection with its Northwest Division Moses Lake lateral in a southwesterly direction to a point of termination at and connection with pipeline facilities proposed to be constructed by Cascade, all located in Adams County, Wash.

Cascade proposes to construct a 4½-inch O.D. transmission pipeline extending from the terminus of El Paso's proposed pipeline in a southwesterly direction a distance of approximately 10 miles to a point of termination in the immediate vicinity of Othello, Wash., together with distribution facilities necessary to provide natural gas service to consumers in Othello. The total estimated cost of the facilities to be constructed by Cascade over a 5-year period is $322,327.

The application states that during the 5-year prospective period considered therein, annual and maximum day natural gas requirements for the proposed project will aggregate 97,999 Mcf and 1,039 Mcf, respectively. The sales and deliveries which are the subject of the application are proposed to be made in accordance with and at rates contained in El Paso's rate schedule DS–1, FPC gas tariff, original volume No. 1.

Upon receipt of the requested authorizations, the application states that El Paso proposes to construct and place into operation the proposed facilities.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on May 22, 1963, at 9:30 a.m., e.d.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a noncontested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before May 10, 1963. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-4280; Filed, Apr. 22, 1963; 8:45 a.m.]

[Docket No. E–7089]

INDIANA & MICHIGAN ELECTRIC CO.

Order To Show Cause and Providing for Hearing

APRIL 16, 1963.

Indiana & Michigan Electric Co. (Indiana Co.), Fort Wayne, Ind., incorporated under the laws of the State of Indiana, conducts utility operations both at wholesale for resale and at retail in the States of Indiana and Michigan. Indiana Co. owns and operates interconnected electric production and transmission facilities in the States of Indiana and Michigan, which facilities are also interconnected with electric facilities of Ohio Valley Electric Corp., Commonwealth Edison Co., Michigan Gas & Electric Co., Northern Indiana Public Service Co., Public Service Co. of Indiana, Inc., and Ohio Power Co. in addition to a number of municipal and cooperatively owned rural systems. Indiana Co. regularly transmits or interchanges electric power and energy with each of these utility systems.

Indiana Co. reports that it currently provides electric energy service at wholesale for resale to 25 purchasers for which it has no established rate schedules on file with this Commission. Those purchasers are as follows: Albion, Anderson, Auburn, Avilla, Bluffton, Columbia City, Fort Wayne, Frankton, Garrett, Gas City, Mishawaka, New Carlisle, Portland, Richmond, and Warren, Ind., Niles and Sturgis, Mich., Allen-Wells County Rural Electric Membership Corp., Fruit Belt Electric Cooperative, Huntington County REMC, Jay County REMC, Noble County REMC, Paulding-Putnam Electric Cooperative, Inc., Wayne County REMC, and Whitley County REMC. Indiana Co.'s annual report for 1961 shows that its wholesale sales to these purchasers totaled 789,665,250 kilowatt-hours. Its total wholesale sales for resale to all purchasers during 1961 were 1,430,285,984 kilowatt-hours.[1]

Indiana Co. currently has on file with this Commission the following rate schedules: rate schedule FPC No. 14–A, including exhibit "A", and supplement Nos. 1 through 5 thereto, Public Service Co. of Indiana, Inc.; rate schedule FPC No. 14–C and supplement No. 1 thereto, Public Service Co. of Indiana, Inc., Northern Indiana Public Service Co.; rate schedule FPC No. 15, Michigan Gas & Electric Co.; rate schedule FPC No. 16 and supplement No. 1 thereto, Ohio Power Co., Cincinnati Gas & Electric Co.; rate schedule FPC No. 17 and supplement Nos. 1, 2 (including exhibits "A" and "B"), 3, and 4, Appalachian Power Co., Ohio Power Co.; rate schedule FPC No. 19 and supplement Nos. 2 (and supplement Nos. 1 through 3 thereto) through 6 thereto, Ohio Valley Electric Corp.; rate schedule FPC No. 20 and supplement Nos. 1, 2, 3, 4 (including exhibit "A"), 5, and 6 thereto, Commonwealth Edison Co.; rate schedule FPC No. 21, Indianapolis Power & Light Co.; rate schedule FPC No. 22, Northern Indiana Public Service Co.; and rate schedule FPC No. 23, Illinois Power Co.

By letter dated January 2, 1963, the foregoing circumstances were brought to the Indiana Co.'s attention together with a staff request that the company undertake appropriate action to establish rate schedules for its wholesale sales to the above-named 25 purchasers pursuant to the requirements of section 205 of the Federal Power Act and part 35 of the Commission's regulations thereunder. By letter dated January 29, 1963, counsel for Indiana Co. requested an extension of time in which to take this matter under consideration, and the company was given an extension of time until February 28 to complete its rate schedule filings. To date no further response has been received from Indiana Co.

The Commission finds: In view of the foregoing, it is necessary and appropriate for the purposes of the Federal Power Act, particularly sections 205, 206, 308, and 309 thereof, that Indiana Co. be directed to show cause in writing and at a formal hearing why the Commission should not find and determine that the sales at wholesale for resale to the 25 purchasers referred to in the recital above are sales at wholesale in interstate commerce subject to the jurisdiction of this Commission under the provisions of the Federal Power Act for which Indiana Co. must file appropriate rate schedules in the manner provided in part 35 of the Commission's regulations under that act.

The Commission orders:

(A) A public hearing shall be held on June 3, 1963, commencing at 10 a.m., e.d.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., at which Indiana Co. shall show cause why the Commission should not:

(1) Find and determine that Indiana Co. is a public utility within the meaning of that term as used in the Federal Power Act by reason of its ownership and operation of facilities for the transmission and sale at wholesale of electric energy in interstate commerce;

(2) Find and determine that in each instance Indiana Co.'s sales at wholesale for resale to the 25 purchasers referred to in the recital above are sales at wholesale in interstate commerce, subject to the provisions of sections 205 and 206 of the Federal Power Act and part 35 of the Commission's regulations thereunder;

(3) Find and determine that at least since January 1961, Indiana Co. has been violating and threatens to continue violating the provisions of section 205 of the act and part 35 of the Commission's regulations thereunder;

(4) Order Indiana Co. to file rate schedules for service to the 25 purchasers referred to in the recital above in accordance with the provisions and requirements of section 205 of the act and part 35 of the Commission's regulations thereunder; and

[1] Does not include energy reported as delivered under interchange arrangements.

(5) Issue such other orders and take such other actions as may be necessary or appropriate to bring about compliance with the Federal Power Act and the Commission's regulations thereunder.

(B) On or before May 6, 1963, Indiana Co. shall respond to this order through answer as provided in § 1.9(c) of the Commission's rules of practice and procedure, 18 CFR 1.9(c).

(C) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37) on or before May 1, 1963.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-4288; Filed, Apr. 22, 1963; 8:46 a.m.]

[Docket No. RI61-60]

HOWARD KUHN ET AL.

Order Making Successor in Interest Corespondent and Requiring Filing of Successor's Bond

APRIL 16, 1963.

Howard Kuhn et al., and Walter F. Kuhn et al., Docket No. RI61-60.

On October 22, 1962, Walter F. Kuhn et al. (Walter F. Kuhn) filed a motion[1] requesting that he be substituted for Howard Kuhn et al., (Howard Kuhn) as respondent in the above-designated proceeding. In support of the motion, Walter F. Kuhn states that he acquired all the interest of Howard Kuhn in the subject properties by instrument of assignment dated July 26, 1962. By letter dated December 10, 1962, Walter F. Kuhn's notice of succession was accepted for filing, and Howard Kuhn's FPC gas rate schedule No. 1, was redesignated as Walter F. Kuhn's FPC gas rate schedule No. 51.

Since Walter F. Kuhn acquired his interest subsequent to the date that the subject suspended rate became effective subject to refund, Howard Kuhn will be responsible for any moneys collected subject to refund in this proceeding prior to the effective date of the assignment.

The Commission finds: It is necessary and proper in carrying out the provisions of the Natural Gas Act and the regulations thereunder, that Walter F. Kuhn be joined as corespondent with Howard Kuhn in the rate suspension proceeding in docket No. RI61-60, that the proceeding be redesignated accordingly, and that Walter F. Kuhn be required to file a corporate surety bond to assure refund of any excess charges, as hereinafter ordered.

The Commission orders:

(A) Walter F. Kuhn et al., is hereby joined as corespondent with Howard Kuhn et al., in the proceeding in docket No. RI61-60, and the proceeding is hereby redesignated as "Howard Kuhn et al., and Walter F. Kuhn et al."

(B) The corporate surety bond heretofore filed by Howard Kuhn et al., on April 12, 1961, in the proceeding in docket No. RI61-60, shall remain in full force and effect until discharged by the Commission, and shall assure refund of any excess charges which might be determined in this proceeding to be applicable to sales prior to the acquisition by Walter F. Kuhn et al.

(C) Within 30 days of the issuance of this order, Walter F. Kuhn shall execute, in the form set out below, an acceptable surety bond in the amount of $1,800, signed by Walter F. Kuhn, and tender it for filing with the Commission. Unless notified to the contrary by the Secretary of the Commission within 30 days from the date of filing, such bond shall be deemed to be satisfactory and to have been accepted for filing.

(D) Walter F. Kuhn et al., shall comply with the refunding and reporting procedures required by the Natural Gas Act and § 154.102 of the regulations thereunder. The corporate surety bond filed by Walter F. Kuhn et al., shall re main in full force and effect until discharged by the Commission.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-4289; Filed, Apr. 22, 1963; 8:46 a.m.]

[Project No. 2179]

MERCED IRRIGATION DISTRICT

Notice of Amended Application for License

APRIL 16, 1963.

Public notice is hereby given that amended application has been filed under the Federal Power Act (16 U.S.C. 791a-825r) by Merced irrigation district (correspondence to: Kenneth R. McSwain, Chief Engineer and Manager, Merced Irrigation District, Post Office Box 759, Merced, Calif.) for license for project No. 2179 on the Merced River, in Mariposa County, Calif., in the general vicinity of Merced Falls, and affecting lands of the United States.

The project is described as consisting of: Exchequer development, an enlargement of applicant's existing Exchequer development (FPC project No. 88) would consist of: a 480-foot-high rock fill dam with reinforced concrete facing abutting the downstream side of the existing concrete dam, with a crest length of 1,200 feet; an auxiliary rock fill dike with crest length of 1,200 feet at elevation 881 feet varying in height to 56 feet about one-half mile north of the dam; a gated spillway about 4,500 feet northwest of the right abutment; a reservoir with storage of 1,010,000 acre-feet and area of 6,900 acres at maximum water surface elevation 865 feet; two 10-foot steel penstocks leading to a powerhouse containing two 63,100-horsepower turbines connected to two 40,000-kilowatt generators; substation; and appurtenant facilities; and the Exchequer Afterbay development would be approximately 6 miles downstream from Exchequer, near the headwaters of Merced Falls Reservoir owned by Pacific Gas & Electric Co. (FPC project No. 1335) and would be created by a 76-foot-high concrete gravity dam with rock fill wing dams at each end; gated spillway would be located in the concrete gravity section; a reservoir with storage of 8,750 acre-feet at maximum water surface elevation 400 feet; one 22-foot steel penstock leading to a powerhouse containing one 11,050-horsepower turbine connected to a 7,000-kilowatt generator; substation; and appurtenant facilities.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure of the Commission (18 CFR 1.8 or 1.10). The last day upon which protests or petitions may be filed is June 3, 1963. The application is on file with the Commission for public inspection.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-4282; Filed, Apr. 22, 1963; 8:45 a.m.]

[Docket No. CP63-121]

NORTHERN NATURAL GAS CO.

Notice of Amendment and Date of Hearing

APRIL 16, 1963.

Take notice that on January 23, 1963, Northern Natural Gas Co. (applicant) filed in Docket No. CP63-121 an amendment to the application for a certificate of public convenience and necessity in said docket which application was filed on November 5, 1962, and which seeks authorization for the construction and operation of facilities to receive natural gas which will be purchased from producers thereof in Beaver and Ellis Counties, Okla., and Ochiltree and Lipscomb Counties, Tex., all as more fully set forth in the application, as amended, which is on file with the Commission and open to public inspection.

The proposed facilities were described in the Commission's notice issued January 22, 1963, and published in the FEDERAL REGISTER on January 30, 1963 (28 F.R. 879). A hearing on the subject application was scheduled to commence on February 27, 1963, and was postponed by notice issued February 5, 1963, and published in the FEDERAL REGISTER on February 12, 1963 (28 F.R. 1359).

The amendment to the application states that applicant desires to change the size of the main trunkline on the proposed new system from 30 miles of 20-, 12-, and 8-inch line to 30 miles of 24-inch line and to change certain of the lateral lines. The amendment also proposes certain changes in the routes of the pipelines.

The changes in the sizes and routes of the pipelines will result in an additional estimated investment of $1,577,000, or a total investment of $5,327,000[1] for the whole project.

Applicant states that it has been ne-

[1] The document, styled "Petition to intervene", has been accepted for filing as a motion to substitute respondent.

gotiating for additional reserves beyond the area adjacent to its proposed system and anticipates that this general area will become a major source of supply to supplement its gas reserves for the next several years. Applicant states further that the proposed 24-inch line will be required under normal purchase patterns in the next 4 to 5 years and that it is estimated that presently developed acreage together with future development can result in volumes exceeding 200,000 M c.f. per day taken into applicant's main system through the proposed facilities.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on May 23, 1963, at 9:30 a.m., e.d.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a noncontested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before May 13, 1963. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-4283; Filed, Apr. 22, 1963; 8:45 a.m.]

[Docket No. RI61-558]

PRADO OIL & GAS CO.

Order Substituting Respondent and Redesignating Proceeding

APRIL 16, 1963.

Prado Oil & Gas Co. (successor to George Parker and Charles L. McCune), docket No. RI61-558.

On October 18, 1962, Prado Oil & Gas Co. (Prado) filed a motion requesting that Prado be substituted as respondent in lieu of George Parker and Charles L. McCune (Parker) in the above-captioned rate suspension proceeding. On June 7, 1961, Parker tendered for filing a notice of change proposing an increased rate (supplement No. 1 to Parker's FPC gas rate schedule No. 1) which was suspended in docket No. RI61-558 until December 8, 1961, and thereafter until such further time as it is made effective in the manner prescribed by the Natural Gas Act. The proposed rate has not been placed in effect subject to refund under section 4(e) of the act.

In support of its motion, Prado states that effective as of March 1, 1962, Prado acquired all the assets, properties and rights covered by Parker's FPC gas rate schedule No. 1, to which the above-captioned rate proceeding relates.

By order of February 27, 1963, in docket No. CI63-126, the Commission issued a certificate of public convenience and necessity authorizing Prado to continue the sale formerly made under Parker's FPC gas rate schedule No. 1, and redesignated such rate schedule, as supplemented, as Prado's FPC gas rate schedule No. 4, as supplemented.

The Commission finds: It is necessary and proper in carrying out the provisions of the Natural Gas Act that Prado be substituted for Parker in the proceeding in docket No. RI61-558, and that the proceeding be redesignated accordingly.

The Commission orders: Prado Oil & Gas Co. is hereby substituted as respondent in lieu of George Parker and Charles L. McCune in docket No. RI61-558, and said proceeding is redesignated accordingly.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-4290; Filed, Apr. 22, 1963; 8:46 a.m.]

[Docket No. CP61-203]

TEXAS EASTERN TRANSMISSION CORP.

Notice of Application To Amend

APRIL 16, 1963.

Take notice that on March 12, 1963, Texas Eastern Transmission Corp. (applicant), Texas Eastern Building, Houston, Tex., filed in docket No. CP61-203 an application to amend the Commission's order, issued December 17, 1962, in said docket, to authorize the construction and operation of 20 miles of 24-inch pipeline in lieu of 26 miles of 12¾-inch and 14-inch pipeline authorized by said order, all as more fully set forth in the application to amend which is on file with the Commission and open to public inspection.

By the subject order applicant was authorized, among other things, to construct and operate approximately 26 miles of 12¾-inch and 14-inch lateral pipeline extending from its 36-inch mainline east of compressor station 26 to the vicinity of Barnardsville, Morris, Roseland, and Hanover, N.J., where deliveries would be made to Public Service Electric & Gas Co. (Public Service). Through this line applicant proposed to deliver an additional 30,600 M c.f. per day to Public Service. As authorized, the line had a maximum capacity of 73,500 M c.f. per day.

Applicant states that authorized deliveries from said lateral have been increased to a total of 73,333 M c.f. per day and that it anticipates sizable increases in requirements for the area to be served by said line. Therefore, applicant requests herein authorization to install the proposed larger 24-inch line which line will have a potential capacity of 350,000 M c.f. per day. Applicant states further that construction of the larger line at this time will avoid future expensive rights-of-way and construction costs.

The application shows the cost of the proposed larger line to be $4,886,000 or $1,017,000 more than the estimated cost of the smaller line. Applicant states that as a result of the subject proposal the total cost of facilities authorized in this docket will not exceed the total estimated cost since certain costs of construction were lower than estimated.

Protests, petitions to intervene or requests for hearing in this proceeding may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before May 6, 1963.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-4284; Filed, Apr. 22, 1963; 8:45 a.m.]

[Docket No. G-16703]

TEXAS GAS CORP. AND SCURLOCK OIL CO.

Order Making Successor in Interest Corespondent, Accepting Successor's Undertaking, and Redesignating Proceeding

APRIL 16, 1963.

On December 6, 1962, Scurlock Oil Co. (Scurlock) filed a motion requesting that Scurlock be substituted for Texas Gas Corp. (Texas Gas) as respondent in the above-designated proceeding. Scurlock states that it has acquired all the interests of Texas Gas in the properties covered by Texas Gas' FPC gas rate schedule No. 5, to which this proceeding relates. Scurlock has submitted an agreement and undertaking to assure refund of any excess charges which might be determined in this proceeding.

By letter order issued February 13, 1963, in docket No. CI63-769, a temporary certificate was issued to Scurlock to continue the services formerly made by Texas Gas, Scurlock's notice of succession was accepted for filing effective May 1, 1961, the date of transfer of the properties involved, and Texas Gas' FPC gas rate schedule No. 5 has been redesignated as Scurlock's FPC gas rate schedule No. 2.

The increased rate in the above-designated proceeding was made effective subject to refund on June 22, 1959, under an agreement and undertaking. Since Texas Gas has collected amounts subject to refund, it is necessary that Texas Gas continue as a corespondent in this proceeding and that its agreement and undertaking filed on July 20, 1959, remain in full force and effect. Texas Gas will be responsible for any moneys col-

[1] Adjusted to account for error in the required measuring facilities in the original application.

lected subject to refund in this proceeding prior to the transfer of interests.

The Commission finds: It is necessary and proper in carrying out the provisions of the Natural Gas Act and the regulations thereunder, that Scurlock be made corespondent with Texas Gas in the proceeding in docket No. G–16703, that Scurlock's agreement and undertaking be accepted for filing as hereinafter ordered, that the agreement and undertaking filed by Texas Gas on July 20, 1959, remain in full force and effect, and that the proceeding in docket No. G–16703 be redesignated accordingly.

The Commission orders:

(A) Scurlock Oil Co. is hereby joined as corespondent with Texas Gas Corp. in the proceeding in docket No. G–16703, and the proceeding is redesignated as Texas Gas Corp. and Scurlock Oil Co.

(B) The agreement and undertaking submitted by Scurlock Oil Co. on December 6, 1962, is hereby accepted for filing. Such agreement and undertaking and the agreement and undertaking filed by Texas Gas Corp. on July 20, 1959, shall remain in full force and effect until discharged by the Commission. The agreement and undertaking of Texas Gas Corp. shall assure refund of any excess charges which might be determined in this proceeding to be applicable to sales prior to the acquisition by Scurlock.

(C) Scurlock Oil Co. shall comply with the refunding and reporting procedures required by the Natural Gas Act and § 154.102 of the regulations thereunder.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63–4291; Filed, Apr. 22, 1963; 8:46 a.m.]

FEDERAL TRADE COMMISSION

DECEPTIVE PRICING AND USE OF THE WORD "FREE"

Notice of Hearing and of Opportunity to Present Views, Suggestions, or Objections

Opportunity is hereby extended by the Federal Trade Commission to any and all persons, firms, corporations, organizations or other parties affected by or having an interest in the proposed guides or rules relating to deceptive pricing and to use of the word "free" to present to the Commission their views concerning the proposals, including such pertinent information, suggestions or objections as they may desire to submit, and to be heard in the premises.

For this purpose, they may obtain copies of such guides or rules upon request to the Commission. Views, information, suggestions, or objections may be submitted to the Commission by letter, memorandum, brief, or other written communication not later than June 3, 1963. Opportunity to be heard orally will be afforded at the hearing beginning at 10 a.m., e.d.t., on June 10, 1963, in the Department of Commerce auditorium, 14th Street between Constitution Avenue and E Street NW., Washington 25, D.C. Persons desiring to be heard orally at the hearing and who have submitted written statements in advance, will not be permitted simply to read their written statements, but may include the substance thereof in such oral statements as they desire to make. If the number of speakers so warrant, time limits for oral presentations may be later prescribed.

The proposed guides or rules are tentative only and are being published in advance solely as a basis for discussion at the hearing. All interested parties are cautioned that the Commission is not committed to such guides or rules and will consider any pertinent views, comments and suggestions received. While the Commission is interested in receiving such information on all of the proposed guides or rules, it is particularly interested in receiving informative comments on the provisions of proposed guides or rules II(b); III(b)(2); and III(c), relating respectively to use of the comparative "Previously offered but not sold at $ ____"; comparatives described as "Less than $____"; and to comparisons with "the generally prevailing range of prices." Also of especial interest will be comments concerning the alternative versions of the rule or guide relating to use of the word "free."

The text of the proposed guides or rules follows:

NOTE.—These guides or rules have not been approved by the Federal Trade Commission. They are a draft of proposed guides or rules which are made available to all interested or affected parties for their consideration and for submission of such views, suggestions or objections as they may desire to present, due consideration of which will be given by the Commission before taking further action in the matter.

SECTION I. *General principles and definitions.* (a) Deceptive pricing is the illegal practice of advertising or otherwise offering nonexistent bargains to the consumer. Whenever a seller seeks to induce consumers to purchase a product by giving the impression that they are getting a bargain or special price, and he does this by comparing that price with some other higher price, these guides are intended to insure that the comparative higher price is an honest one and not fictitious, and that the represented saving to consumers actually exists.

(b) These guides and the included references to "advertising" apply to labels, tickets, handbills, catalogs and display cards, as well as mass media advertising.

(c) Comparative prices may be used only when the requirements of these guides are met. When these requirements are not met, use of terms such as "manufacturer's list price" or "retail price" may not be excused by so-called disclaimers that they are intended merely to identify the products. Such "disclaimers" do not eliminate the deception, and are likely to confuse those consumers who take note of them.

(d) The basis for the comparative higher price (for example, if it is indicated to be the seller's former price or the price being generally charged by other sellers in the same area) must always be made clear, by using the words and phrases given as examples in these guides or other clear and readily understandable terms. When the basis of comparison is unclear and an advertisement is reasonably susceptible of an interpretation that would make the comparison false, consumers may be misled.

(e) The meaning of the phrase "recent, regular course of business," as applied to particular situations, depends on the nature of the product offered for sale and its rate of turnover. If, considering these factors, the time at which the former price was in effect is so remote that it cannot be fairly described as recent, a disclosure of the date of the fromer price must be made. In no case may a comparison be based on an old higher price that preceded a more recent lower price that was in effect for a relatively substantial period of time.

(f) The "usual and customary" former price of a product is a price which was charged on a regular basis and at which substantial sales were made. The phrase "usual and customary" precludes comparisons based on isolated or unusual sales, or, unless the requirements of guide II(b) are met, on prices at which there have been infrequent or no sales.

(g) The trade area, as a geographical area, may vary, depending on the product and other circumstances involved, and generally includes an area from which a businessman draws his customers.

(h) A product may or may not have a "generally prevailing price" in a trade area. A generally prevailing price, where it exists, is the single price at which a substantial majority of the sales in a trade area are made.

(i) The "generally prevailing range of prices" is the price range that includes all prices, from the highest to the lowest, at which a substantial number of sales are made in the trade area.

SEC. II. *Former price comparisons.* (a) No representation, express or implied, of a reduction from an advertiser's own former selling price may be made unless:

(1) In cases in which the former price is expressly stated, that price was the advertiser's usual and customary selling price of the specific article in the most recent, regular course of business; or

(2) In cases in which the former price is not expressly stated, there is an actual and significant reduction from the advertiser's usual and customary selling price of the specific article in the most recent, regular course of business.

Among the words and phrases that, when used with a price figure, indicate the advertiser's former usual and customary price are:

"Regularly,"
"Usually,"
"Formerly,"
"Originally,"
"Were,"
"Was ____ Now ____,"
"Our list price,"

"____ percent off,"
"You save $____,"
"No trade-in price,"
"If purchased in open stock $____."

NOTE.—A "no trade-in" price may not be quoted unless the advertiser has made substantial sales without trade-ins at the higher price in the recent, regular course of his business, or unless trade-ins of an established value equivalent to the difference in price are actually required to consummate the sale. An "open stock" comparative price may not be used unless the advertiser himself or retailers who carry his products in the trade area have made substantial sales of individual pieces or units in the set at the open stock prices.

Among the words and phrases that indicate an actual and significant reduction from a former usual and customary price are:

"Reduced,"
"Save up to $____,"
"Special,"
"Sale."

(b) If no sales, or an insubstantial number of sales, of a particular item have been made by an advertiser, in the recent, regular course of business, a comparison based on his former usual and customary asking price may be made, notwithstanding any other provision of these guides, when it appears that:

(1) The advertiser openly and actively offered the product for sale on the market at that price for a substantial period of time in the recent, regular course of business, honestly and in good faith, and not for the purpose of establishing a fictitious higher price on which a deceptive comparison might be based; and

(2) Such bona fide asking price reflected a markup that was not in excess of the markup at which similar products are usually and customarily sold by the advertiser.

Where these requirements are met, it is permissible to base a comparison on the former asking price, so long as it is clearly and conspicuously disclosed that it was an asking, not a selling, price by using language such as "Previously offered but not sold at $____."

SEC. III. *Trade area price comparisons*—(a) *Local advertising.* An advertiser may not use language indicating that his price for a product is less than the price charged by others, unless the comparative higher price is in fact the generally prevailing price currently being charged by other sellers in the trade area. When there is not a single price generally prevailing in the trade area, a comparison may be based on the generally prevailing range of prices in the area.

Example. A retailer publishes an advertisement for an appliance reading "Mfr's Sug. List $495.—Our Price $295." in an area where the product is sold by some dealers at $495, but by most dealers at a variety of prices significantly lower than $495. This advertisement would be deceptive because of the implied representation that $495 was the single price generally prevailing in the area. The deception would exist even though the advertisement contained an express disclaimer of any intent to represent the generally prevailing price in the trade area. If there is no single generally prevailing price, and if the lowest and highest price (exclusive of the advertiser's price) at which a substantial number of sales are made in the trade area are $395 and $495, respectively, it would not be deceptive to advertise "Sold elsewhere at $395 to $495—Our Price $295."

(b) *National or regional advertising.* (1) Manufacturers or other distributors who include a suggested retail price (however expressed) in their advertising of a product are thereby indicating what many consumers will understand to be the advertiser's representation of the actual retail value of the product. A suggested price, therefore, may not be nationally or regionally advertised unless it is in fact the generally prevailing price in all trade areas in which the advertisement is disseminated. If there is not in fact a single, generally prevailing price, the advertiser may refer only to the generally prevailing range of prices. Because of the direct representation involved, an advertiser is chargeable with knowledge of the price or prices at which his product is actually selling in all the trade areas where the advertisement is disseminated.

Example. A manufacturer publishes an advertisement for a camera stating "Suggested Retail Price $195" in a magazine which is circulated in several trade areas where the camera is sold by some retailers at $195 but by most dealers at a variety of prices significantly lower than $195. Such an advertisement would be deceptive, and the manufacturer would be responsible for the deception even though he had no actual knowledge of the lower prevailing prices in these trade areas.

(2) Manufacturers or other distributors who include in advertising or promotional materials the statement that a product retails at "less than" a specified price are thereby indicating what many consumers will understand to be the advertiser's representation of the product's approximate maximum retail value. If the quoted price is substantially in excess of the highest price at which the product is usually and customarily sold in retail outlets in the trade area, the "less than" price is fictitious and deceptive. If, however, a substantial and significant number of sales are actually made at or near the "less than" price, the manufacturer's use of such terminology to represent the approximate maximum prevailing retail price is not objectionable.

(c) *Promotional material.* Price lists of the sort likely to be distributed to the public, or display or promotional material that include a suggested price may be disseminated only in trade areas where the suggested price is in fact the generally prevailing resale price. If there is not a single generally prevailing price in a particular trade area, it may be permissible to refer in display or promotional material to the generally prevailing range of prices. When material is displayed or distributed in a manner which may mislead consumers, the manufacturer, wholesaler or distributor who made this material available, as well as the retailer who displays or distributes it, is responsible for the deception without regard to actual knowledge or intent, since one who makes an affirmative representation of fact to the consuming public in offering goods for sale is under a duty to check the facts before making the representation.

Example. A manufacturer furnishes catalogue sheets and advertising mats—intended to be used in displays or promotions seen by the public—containing suggested retail prices in areas where the articles do not, in fact, generally sell at the suggested prices. If these catalogue sheets and advertising mats are subsequently displayed to consumers, the manufacturer as well as the retailer bears responsibility for the deception involved.

(d) *Trade or "confidential" price lists.* When retail prices suggested in "confidential" price lists are communicated to prospective customers, the manufacturer, wholesaler, or distributor who compiled and distributed the list has responsibility for deception if he knows or has reason to know that (1) the price information in such lists is being, or is likely to be, communicated to members of the public, and (2) the suggested prices are in excess of those generally prevailing for the articles in the trade areas where the lists are circulated.

For purposes of section III, words and phrases that indicate comparison with a higher generally prevailing price for the same product in the trade area include:

"Value,"
"Regular Value,"
"Retail,"
"Retail Price,"
"Sold Nationally at,"
"Nationally advertised at,"
"Generally sold at,"
"Sold elsewhere at,"
"Discount Price"—When unaccompanied by a higher comparative price, this would represent the existence of a generally prevailing trade area price significantly higher than the "Discount Price,"
"Made to sell for."

SEC. IV. *Preticketing.* Price preticketing by manufacturers or distributors is, for the purpose of this section, the practice whereby products are distributed and offered for sale with labels, tags, display cards or other point-of-sale material bearing a retail price printed or affixed in such a way as to indicate to the public that the price has been determined by the manufacturer or distributor. Such preticketing constitutes an implied representation that the preticketed price is the generally prevailing price for the product in the trade areas in which it is utilized. In any trade area where there is no single generally prevailing price or where the preticketed price is higher than the generally prevailing price or prices, use of the preticketed price is deceptive. Moreover, when a price ticket is affixed to a product, consumers assume that the same ticket with the same uniform price is affixed to the product wherever it is sold in the same trade area. It is deceptive, therefore, for the manufacturer or distributor to affix different preticketed prices to accommodate different retailers in a given trade area, even where such retailers are charging the preticketed price.

(a) The forms that preticketing may take include:

(1) The use of tags or labels affixed to the article;

(2) The use of tags or labels that may be affixed to the article by the retailer;

(3) The use of display cards or other material that is used, or designed to be used, with the article at the point of sale to the consuming public.

(b) Both those who preticket merchandise that is to be sold to consumers by others and those who distribute the merchandise preticketed, as well as those who actually offer the articles for sale, are responsible if the price figures do not meet the standard set forth in this guide. A manufacturer or distributor cannot defend a violation of this guide on the ground of his ignorance of prices in a given trade area. Manufacturers who preticket their merchandise are chargeable with knowledge of the generally prevailing price or prices at which their product is selling in all trade areas. A distributor who distributes preticketed merchandise is chargeable with knowledge of the generally prevailing price or prices of the product in the trade areas in which he deals.

Example. A manufacturer of luggage pretickets his products with his label marked "Price $12.95." Although this price prevails in some trade areas, in others the luggage generally sells for $10.95. The preticketed price would be deceptive in any trade area where the $12.95 price is not the generally prevailing retail price; and the manufacturer, wholesaler or distributor, and retailer would each be responsible for contributing to such deception.

SEC. V. *Comparable and similar merchandise.* An advertiser may compare his price for an article with the price at which an essentially similar article is currently being sold elsewhere: *Provided,* That:

(a) It is clearly and conspicuously stated that the price comparison is being made between the article offered for sale and such other comparable article; and

(b) The quoted higher price is the generally prevailing price in the trade area of an article or articles of equivalent grade and quality in all material respects as the merchandise offered.

NOTE.—To satisfy the requirements of this guide, it is not sufficient to find one store or a few stores selling the other article at the higher price.

An example of a statement which would be permissible, if based on facts, is:

"All wool suits $30—
Comparable value $40."

Such a statement is truthful only if suits of equivalent grade and quality are being sold generally elsewhere in the area for $40.

SEC. VI. *"Special sale, etc."* (a) An advertiser may not represent that price reductions are the result of some special or unusual event or change in manner of business unless such is actually the fact.

(b) When prices are quoted in conjunction with a special sale, the basis of comparison must be made clear and the other provisions of these Guides must be satisfied.

Examples of words and phrases indicating special sales at reductions from the advertiser's former usual and customary price are:

"Clearance,"
"Limited Time Only,"
"Going Out of Business Sale."

Examples of words and phrases indicating special sales which are ambiguous and require further explanation to make clear whether the comparison is with the advertiser's former usual and customary price or with the prices being charged generally by other sellers in the trade area are:

"Exceptional Purchase,"
"Special Purchase,"
"Manufacturer's Close-Out."

In the absence of such further explanation, use of these terms is deceptive if either possible interpretation does not accord with the facts.

SEC. VII. *"Two for one sales."* No statement or representation of a special or limited offer to sell two articles for the price of one, or phrase of similar import, may be used unless the combined price for the two articles is the same as the advertiser's former usual and customary retail price for the single article in the recent, regular course of his business.

NOTE.—When the one responsible for a "two for the price of one" claim has not previously sold the article or articles, the propriety of the advertised price for the two articles may be determined by the usual and customary retail price of the single article in the trade area, or areas, where the claim is made, if, and only if, appropriate language is used to make it clear that the advertiser is selling the same two articles for the price his competitors charge for one.

SEC. VIII. *"½ price"—"1¢ sale" conditioned on purchase of additional merchandise.* No statement or representation of an offer to sell an article at a saving through claims such as "½ price" or "50% off" or "1¢ sale", or expressions of similar import, may be used when the offer is conditioned upon the purchase of additional merchandise, unless:

(a) The terms or conditions imposed are conspicuously disclosed in immediate conjunction with the offer, and

(b) The price charged for the merchandise required to be purchased as a condition to the reduced price on the further purchase is not in excess of the usual and customary retail price for the merchandise in the recent, regular course of the advertiser's business.

NOTE.—Where the one responsible for the savings claim has not previously sold the article or the additional merchandise, the propriety of the claim may be determined by the usual and customary retail prices of the article and the additional merchandise in the trade area, or areas, where the claim is made, if, and only if, appropriate language is used to make it clear that the claim is based upon the usual and customary prices charged by the advertiser's competitors for the same merchandise.

SEC. IX. *"Factory or wholesale prices."* (a) No statement may be made in connection with the offering for sale of a product to the consuming public of a "factory" price or other such expression, which represents or implies that the consuming public can purchase the article at the same price usually and customarily paid by wholesalers, or others purchasing directly from the factory, unless such statement is true.

(b) No statement may be made in connection with the offering for sale of a product to the consuming public of a "wholesale" price, or other such expression, which represents or implies that the consuming public can purchase the article at the same price usually and customarily paid by retailers in the trade area or areas where the representation is made, unless such statement is true.

SEC. X. *"Imperfect, irregular, seconds."* No comparative price may be quoted in connection with an article offered for sale which is imperfect, irregular or a second, unless it is accompanied by a clear and conspicuous disclosure that such comparative price refers to the price of the article if perfect. Such comparative price may not be used unless (1) it is the price at which the advertiser usually and customarily sells the article without defects, or (2) it is the generally prevailing price at which the article without defects is sold in the trade area, or areas, where the statement is made, and the basis for the comparison is made clear.

SEC. XI. *"Advance sales".* Advertisements of expected future price increases must be bona fide offerings of items which the advertiser reasonably expects to continue selling after the sale at the advertised higher price. In determining whether or not the offer was bona fide, such factors as the advertiser's inventory of the advertised item, his arrangements with his supplier, and prices at which the advertised item is subsequently sold will be considered. In no event may such claims be used in connection with one-of-a-kind items or in other situations where the advertiser cannot reasonably expect to be in a position to continue selling the merchandise after the sale.

Examples of words and phrases which constitute representations of future price increases are:

"Advance Sale,"
"Pre-publication Price,"
"Price After Sale Will Be,"
"Introductory Offer."

SEC. XII. *Alternative versions of rule or guide on use of word "free."* (A) Use of the word "free," or words of similar import, in advertising to designate or describe any industry product which is not in truth and in fact a gift or gratuity, or is not given to the recipient thereof without requiring the purchase of other merchandise or requiring the performance of some service inuring directly or indirectly to the benefit of the industry member using such word, is an unfair trade practice; or

(B) In connection with the sale, offering for sale, or distribution of industry products, it is an unfair trade practice to use the word "free," or any other word or words of similar import, in advertisements or in other offers to the public, as descriptive of an article of merchandise, or service, which is not an unconditional gift, under the following circumstances:

(a) When all the conditions, obligations, or other prerequisites to the receipt and retention of the "free" article of merchandise or service offered are not clearly and conspicuously set forth at the outset so as to leave no reasonable probability that the terms of the offer will be misunderstood; and, regardless of such disclosure;

(b) When, with respect to any article of merchandise required to be purchased in order to obtain the "free" article or service, the offerer (1) increases the ordinary and usual price of such article of merchandise, or (2) reduces its quality, or (3) reduces the quantity or size thereof.

NOTE.—The disclosure required by subsection (a) of this rule shall appear in close conjunction with the word "free" (or other word or words of similar import) wherever such word first appears in each advertisement or offer. A disclosure in the form of a footnote, to which reference is made by use of an asterisk or other symbol placed next to the word "free," will not be regarded as compliance.

By direction of the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 63-4312; Filed, Apr. 22, 1963; 8:49 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 812-1550 etc.]

INVESTORS MUTUAL, INC., ET AL.

Notice of Filing of Application and Proceeding

APRIL 17, 1963.

In the matter of Investors Mutual, Inc., Investors Stock Fund, Inc., Investors Selective Fund, Inc., Investors Variable Payment Fund, Inc., file No. 812-1550; Gamble-Skogmo, Inc., file No. 812-1553; Investors Diversified Services, Inc., file Nos. 812-1558, 812-1569, 812-1582.

On December 19, 1962, Randolph Phillips, a shareholder of Investors Mutual, Inc., Investors Stock Fund, Inc., Investors Selective Fund, Inc., and Investors Variable Payment Fund, Inc., each of which is a registered investment company, filed an application (file No. 812-1550) pursuant to section 2(a)(9) of the Investment Company Act of 1940 ("act") for a determination that Bertin C. Gamble, Gamble-Skogmo, Inc. and the General Outdoor Advertising Co. acting collectively (hereinafter referred to as "the Gamble group") (1) control, or have acquired the power to exercise a controlling influence over the management or policies of Alleghany Corp. and of Investors Diversified Services, Inc., and/or (2) control, in concert with John D. Murchison, Clint W. Murchison, Jr., R. Walter Graham, Jr., Louis J. Kocurek, Frank E. McKinney, A. M. Sonnabend, Edgar T. Riggs, and Anthony A. Smith (hereinafter referred to as "the Murchison group"), or have acquired the power in concert with members of the Murchison group to exercise a controlling influence over the management or policies of Alleghany Corp. and of Investors Diversified Services, Inc.

The Commission, on January 2, 1963, issued a notice of and order for hearing on the application filed by Randolph Phillips (file No. 812-1550) and fixed January 16, 1963, as the date for the commencement of the hearing on that application, which hearing is now in recess.

On February 15, 1963, after oral argument, the Commission, in file Nos. 812-1553 and 812-1558, ordered that all persons named in the application filed by Randolph Phillips be exempted from the provision of section 2(a)(9) which provides that if an application filed under section 2(a)(9) is not granted or denied by the Commission within 60 days after filing thereof, the determination sought by the application shall be deemed to have been temporarily granted pending final determination of the Commission thereon, until May 18, 1963, with the proviso that upon 10 days' notice the exemption could be terminated prior thereto if the Commission deemed its continuance not consistent with the standards set forth in section 6(c) of the act.

On February 15, 1963 Investors Diversified Services, Inc., filed an application pursuant to section 2(a)(9) of the act (file No. 812-1569) for a determination by order:

(a) That the presumption that John D. Murchison and Clint W. Murchison, doing business as Murchison Bros., a partnership, do not have the power to exercise a controlling influence over the management or policies of Alleghany Corp. ("Alleghany") within the meaning of section 2(a)(9) of the act is rebutted and that Murchison Bros. do control Alleghany within the meaning of section 2(a)(9);

(b) That the presumption that Allan P. Kirby, Sr., has the power to exercise a controlling influence over the management or policies of Alleghany within the meaning of section 2(a)(9) of the act is confirmed;

(c) That the presumption that the organized group of persons consisting of Allan P. Kirby, Sr., Allan P. Kirby, Jr., Fred M. Kirby and Charles T. Ireland, Jr., have the power to exercise a controlling influence over the management or policies of Alleghany within the meaning of section 2(a)(9) of the act is confirmed;

(d) That the presumption that Murray D. Lincoln and/or companies controlled by or associated with him do not have the power to exercise a controlling influence over the management or policies of Alleghany within the meaning of section 2(a)(9) of the act is rebutted and that the said Murray D. Lincoln and/or companies controlled by or associated with him do control Alleghany within the meaning of section 2(a)(9) of the act; and

(e) That the presumption that Alleghany has the power to exercise a controlling influence over the management or policies of IDS within the meaning of section 2(a)(9) of the act is confirmed.

On February 20, 1963 the Commission issued a notice of and order for hearing on the above application (file No. 812-1569) of Investors Diversified Services, Inc., and consolidated the proceeding for hearing with the application of Randolph Phillips in file No. 812-1550.

Notice is hereby given that Allan P. Kirby, Fred M. Kirby, Allan P. Kirby, Jr., and Charles T. Ireland, Jr., have filed an application (file No. 812-1582) pursuant to section 6(c) of the act requesting, in reference to the application of Investors Diversified Services, Inc. (file No. 812-1569), on their own behalf and also on behalf of Murray D. Lincoln and/or companies controlled by or associated with him, an exemption from that part of section 2(a)(9) of the act which provides that if an application filed under section 2(a)(9) is not granted or denied by the Commission within 60 days after filing thereof, the determination sought by the application shall be deemed to have been temporarily granted pending final determination of the Commission thereon, such exemption to be effective as of April 15, 1963, and to continue from such date until such time as the Commission shall have determined all the issues before it in the proceeding instituted by Investors Diversified Services, Inc., or until sooner terminated by order of the Commission.

All interested persons are referred to the application filed by the Messrs. Kirby and Ireland for a complete statement of the averments set forth therein.

It appears to the Commission that (1) the proceeding in file No. 812-1582 is ancillary to the proceeding relating to the applications filed by Investors Diversified Services, Inc., in file No. 812-1569, (2) it would be conducive to the orderly determinations of the issues in the proceedings if such proceedings be consolidated, and (3) it is appropriate in the public interest that the issues in the proceeding relating to the application filed by the Messrs. Kirby and Ireland be presented and argued in accordance with the procedure set forth below.

It is ordered, That the proceeding in file No. 812-1582 be, and the same hereby is, consolidated with the proceeding in file No. 812-1569.

It is further ordered, Pursuant to section 40(a) of the act, that oral argument on the 6(c) application filed by Allan P. Kirby, Fred M. Kirby, Allan P. Kirby, Jr., and Charles T. Ireland, Jr. (file No. 812-1582), be held on the 14th day of May 1963, at 2:30 p.m., at the offices of the Securities and Exchange Commission, 425 Second Street NW., Washington 25, D.C., at which time the hearing room clerk will advise as to the room in which such oral argument will be held.

It is further ordered, That, on or before May 7, 1963, Allan P. Kirby, Fred M. Kirby, Allan P. Kirby, Jr., Charles T. Ireland, Jr., Murray D. Lincoln, Randolph Phillips, Investors Diversified Services, Inc., Alleghany Corp., Investors Mutual, Inc., Investors Stock Fund, Inc., Investors Selective Fund, Inc., Investors Variable Payment Fund, Inc., and such other persons as have been granted permission to participate in the proceeding at file No. 812-1550, or file No. 812-1569,

and any other person desiring to be heard or otherwise wishing to participate in the proceeding at file No. 812–1582 may, if they deem it appropriate, file in accordance with the Commission's rules of practice, a brief setting forth reasons as to whether (1) it is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and the provisions of the act that Allan P. Kirby, Fred M. Kirby, Allan P. Kirby, Jr., Charles T. Ireland, Jr., Murray D. Lincoln, and/or companies controlled by or associated with him, be exempt as of April 15, 1963, until the final determination by the Commission of the issues in the section 2(a)(9) proceeding (file No. 812–1569), from that provision of section 2(a)(9) of the act which provides that, if an application filed thereunder is not granted or denied by the Commission within 60 days after filing thereof, the determination sought by the application shall be deemed to have been temporarily granted pending the final determination of the Commission thereon; and (2) if so, whether such exemption should be subject to any conditions or be limited to any extent.

It is further ordered, That at the same time as briefs are filed with this Commission, a copy of such brief be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon each of such other persons as have been given permission to participate in the aforementioned section 2(a)(9) proceedings and that proof of such service (by affidavit or in case of an attorney at law by certificate) be filed contemporaneously with the filing of the brief with this Commission.

It is further ordered, That the Secretary of the Commission shall give notice of the aforesaid hearing by registered mail to John D. Murchison and Clint W. Murchison, doing business as Murchison Bros.; Allan P. Kirby, Sr.; Allan P. Kirby, Jr.; Fred M. Kirby; Charles T. Ireland, Jr.; Murray D. Lincoln; Randolph Phillips; Gamble-Skogmo, Inc.; General Outdoor Advertising Co.; Bertin C. Gamble; Alleghany Corp.; Investors Diversified Services, Inc.; Investors Mutual, Inc.; Investors Stock Fund, Inc.; Investors Selective Fund, Inc.; Investors Variable Payment Fund, Inc.; Investors Intercontinental Fund, Ltd.; R. Walter Graham, Jr.; Louis J. Kocurek; Frank E. McKinney; A. M. Sonnabend; Edgar T. Rigg; and Anthony A. Smith; and that notice to all other persons shall be given by publication of this notice and order for hearing in the FEDERAL REGISTER; and that a general release of this Commission in respect of this notice and order for hearing be distributed to the press and mailed to the mailing list for releases.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F.R. Doc. 63–4300; Filed, Apr. 22, 1963; 8:48 a.m.]

[File Nos. 7–2278–2280]

CENTRAL AND SOUTHWEST CORP. ET AL.

Notice of Applications for Unlisted Trading Privileges and of Opportunity for Hearing

APRIL 17, 1963.

In the matter of applications of the Pacific Coast Stock Exchange for unlisted trading privileges in certain securities.

The above-named national securities exchange has filed applications with the Securities and Exchange Commission pursuant to section 12(f)(2) of the Securities Exchange Act of 1934 and Rule 12f–1 thereunder, for unlisted trading privileges in the common stocks of the following companies, which securities are listed and registered on one or more other national securities exchanges:

Central and Southwest Corporation	File 7–2278
International Business Machines Corporation	File 7–2279
Texas Instruments, Incorporated	File 7–2280

Upon receipt of a request, on or before May 3, 1963, from any interested person, the Commission will determine whether the application with respect to any of the companies named shall be set down for hearing. Any such request should state briefly the title of the security in which he is interested, the nature of the interest of the person making the request, and the position he proposes to take at the hearing, if ordered. In addition, any interested person may submit his views or any additional facts bearing on any of the said applications by means of a letter addressed to the Secretary, Securities and Exchange Commission, Washington 25, D.C., not later than the date specified. If no one requests a hearing with respect to any particular application, such application will be determined by order of the Commission on the basis of the facts stated therein and other information contained in the official files of the Commission pertaining thereto.

For the Commission (pursuant to delegated authority).

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F.R. Doc. 63–4301; Filed, Apr. 22, 1963; 8:48 a.m.]

INTERAGENCY TEXTILE ADMINISTRATIVE COMMITTEE

CERTAIN COTTON TEXTILES AND COTTON TEXTILE PRODUCTS UNDER LONG-TERM ARRANGEMENT REGARDING INTERNATIONAL TRADE

Announcement of Restraint Levels

APRIL 14, 1963.

The Interagency Textile Administrative Committee on December 20, 1962, released information on the implementation of the Long-Term Cotton Textile Arrangement since that Arrangement became effective on October 1, 1962. That information was published on December 28, 1962 (27 F.R. 12849) and was supplemented by an announcement, published February 8, 1963, in the FEDERAL REGISTER (28 F.R. 1275) of the completion of arrangements with other countries under which imports into the United States of additional categories of cotton textiles and cotton textile products from listed countries were restrained in the amounts indicated for the periods listed. This announcement further supplements the previous publications.

The following categories of cotton textiles and cotton textile products from the listed countries will be restrained in the amounts indicated for the 12-month period beginning as of the effective date shown in the following table:

Country	Category No.[1]	Restraint level	Effective date
Korea	9	1,740,000 sq. yds.	Jan. 1, 1963
	26	10,000,000 sq. yds.	Do.
	45	20,000 doz.	Do.
	51	40,000 doz.	Do.
	54	25,000 doz.	Do.
Poland	19	566,000 sq. yds.	Dec. 4, 1962
	26	75,000 sq. yds.	Do.
	28	100,000 units.	Do.
	34	57,000 units.	Do.
Yugoslavia	9	4,057,000 sq. yds.	Jan. 3, 1963
	22	455,000 sq. yds.	Do.
	26	1,282,000 sq. yds.	Do.
	48	5,300 doz.	Do.
	49	5,100 doz.	Do.

[1] The description of all categories was included in the Announcement of Restraint Levels published on December 28, 1962, in the FEDERAL REGISTER (27 F.R. 12849).

JAMES S. LOVE, Jr.,
Deputy to the Secretary of Commerce for Textile Programs.

[F.R. Doc. 63–4309; Filed, Apr. 22, 1963; 8:48 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATION FOR RELIEF

APRIL 18, 1963.

Protests to the granting of an application must be prepared in accordance with Rule 1.40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 38276: *Asphalt from points in Oklahoma to WTL and IFA territories.* Filed by Southwestern Freight Bureau, agent (No. B–8378), for interested rail carriers. Rates on asphalt (asphaltum), natural, byproduct or petroleum (other than paint, stain, or varnish), petroleum road oil and petroleum wax tailings, in tank-car loads, from points in Oklahoma, to points in Illinois Freight Association and western trunk-line territories.

Grounds for relief: Carrier competition.

Tariff: Supplement 297 to Southwestern Freight Bureau, agent, tariff I.C.C. 4279.

By the Commission.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 63-4313; Filed, Apr. 22, 1963; 8:49 a.m.]

NOTICE OF FILING OF MOTOR CARRIER INTRASTATE APPLICATIONS

APRIL 12, 1963.

The following application for motor common carrier authority to operate in intrastate commerce seeks concurrent motor carrier authorization in interstate or foreign commerce within the limits of the intrastate authority sought, pursuant to section 206(a)(6) of the Interstate Commerce Act, as amended October 15, 1962.

Assigned M-9946 supp. No. 2, filed March 7, 1963. Applicant: CURTIS J. GRIESS, doing business as SUTTON TRANSFER, Box 391, Sutton, Nebr. Applicant's attorney: J. Max Harding, Box 2028, Lincoln, Nebr. The operations proposed to be conducted in intrastate commerce are as follows: Regular route operations, (1) from Harvard west via county roads one and one-half miles (1½), thence north via county road to junction U.S. Highway 34, thence via Highway 34 to Grand Island, returning same route or returning from Grand Island via U.S. Highway 281 to Hastings, thence via U.S. Highway 6 to junction Nebraska Highway 14, thence via Nebraska Highway 14 to Harvard, serving all intermediate points and the off-route point of Clay Center in each instance, (2) from Harvard via Nebraska Highway 14 to Clay Center, thence via Nebraska Highway 14 and county roads to Edgar, thence via county road to Fairfield and Glenville, thence via county road and Nebraska Highway 14 to Harvard, serving all intermediate points.

NOTE: Applicant already holds Nebraska intrastate certificate M-9946, supplement No. 1, which is registered with this Commission, in No. MC 98207.

HEARING: District courtroom, Clay County Courthouse, Clay Center, Nebr., during latter part of May, 1963 (date and hour not specified). Request for procedural information including the time for filing protests concerning this application, should be addressed to the State of Nebraska, State Railway Commission, Motor Transportation Department, State Capitol Building, Lincoln 9, Nebr., and should not be directed to the Interstate Commerce Commission.

By the Commission.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 63-4814; Filed, Apr. 22, 1963; 8:50 a.m.]

[Notice 250]

MOTOR CARRIER ALTERNATE ROUTE DEVIATION NOTICES

APRIL 12, 1963.

The following letter-notices of proposals to operate over deviation routes for operating convenience only have been filed with the Interstate Commerce Commission, under the Commission's Deviation Rules Revised, 1957 (49 CFR 211.1(c)(8)) and notice thereof to all interested persons is hereby given as provided in such rules (49 CFR 211.1(d)(4)).

Protests against the use of any proposed deviation route herein described may be filed with the Interstate Commerce Commission in the manner and form provided in such rules (49 CFR 211.1(e)) at any time but will not operate to stay commencement of the proposed operations unless filed within 30 days from the date of publication.

Successively filed letter-notices of the same carrier under the Commission's Deviation Rules Revised, 1957, will be numbered consecutively for convenience in identification and protests if any should refer to such letter-notices by number.

MOTOR CARRIERS OF PROPERTY

No. MC 1470 (Sub-No. 1) (Deviation No. 3), COLUMBUS & CHICAGO MOTOR FREIGHT, INC., 1053 East Fifth Avenue, Columbus 1, Ohio, filed April 5, 1963. Attorney Taylor C. Burneson, 3430 LeVeQue-Lincoln Tower, 50 West Broad Street, Columbus 15, Ohio. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over deviation routes as follows: (A) From the junction of U.S. Highways 33 and 30 (near Fort Wayne, Ind.), over U.S. Highway 30 to junction U.S. Highway 41, thence over U.S. Highway 41 to junction U.S. Highway 6 (at or near Hammond, Ind.); and (B) from junction U.S. Highways 33 and 30 (near Fort Wayne, Ind.), over U.S. Highway 30 to junction U.S. Highway 421, thence over U.S. Highway 421 to junction U.S. Highway 6 (near Westville, Ind.), and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: From Chicago, Ill., over U.S. Highway 41 to junction U.S. Highway 6, thence over U.S. Highway 6 to junction U.S. Highway 33, thence over U.S. Highway 33 to Fort Wayne, thence over U.S. Highway 30 to Delphos, Ohio, thence over U.S. Highway 30S via Lima, Ohio, to Kenton, Ohio, and thence over Ohio Highway 31 to Columbus, Ohio, and return over the same route.

No. MC 6945 (Deviation No. 7), THE NATIONAL TRANSIT CORPORATION, 4401 Stecker Avenue, Dearborn 2, Mich., filed April 1, 1963. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From Cincinnati, Ohio, over Interstate Highway 71 to Columbus, Ohio, and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: From Cincinnati, Ohio, over U.S. Highway 25 to junction Ohio Highway 4 at Dayton, Ohio, thence over Ohio Highway 4 to junction U.S. Highway 40, at Springfield, Ohio, thence over U.S. Highway 40 to Columbus, and return over the same route.

No. MC 35320 (deviation No. 9), T.I.M.E. FREIGHT, INC., Post Office Box 1120, Lubbock, Tex., filed April 3, 1963. Representative: John T. Coon, 2722 62d Street, Lubbock, Tex. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From Atlanta, Ga., over U.S. Highway 78 to Guin, Ala., thence over U.S. Highway 278 to Shannon, Miss., thence over U.S. Highway 45 to Tupelo, Miss., thence over Mississippi Highway 6 to Batesville, Miss., thence over U.S. Highway 51 to Memphis, Tenn., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over pertinent service routes as follows: From Cincinnati, Ohio, over U.S. Highway 42 to junction U.S. Highway 31W, thence over U.S. Highway 31W to Nashville, Tenn., thence over U.S. Highway 41 via Murfreesboro, Tenn., to junction unnumbered highway (formerly U.S. Highway 41) near Cassville, Ga., thence over unnumbered highway to Cartersville, Ga., thence over Georgia Highway 293 (formerly U.S. Highway 41) to junction U.S. Highway 41 near Emerson, Ga., thence over U.S. Highway 41 to Atlanta, Ga., (also from Nashville over Alternate U.S. Highway 41 (formerly Tennessee Highway 11) to junction Tennessee Highway 96, thence over Tennessee Highway 96 to Murfreesboro); from Nashville, over U.S. Highway 70S (formerly U.S. Highway 70) to junction U.S. Highway 70, thence over U.S. Highway 70 to Atwood, Tenn., from Brownsville, Tenn., over U.S. Highway 79 (formerly Tennessee Highway 76) to Paris, Tenn., thence over Tennessee Highway 54 to Dresden, Tenn., thence over Tennessee Highway 22 to Union City, Tenn.; from Memphis over U.S. Highway 70 to Jackson, Tenn., and return over the same routes.

No. MC 43421 (deviation No. 7), DOHRN TRANSFER CO., Robinson Building, Rock Island, Ill., filed April 2, 1963. Attorney Edward G. Bazelon, 39 South La Salle Street, Chicago 3, Ill. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over deviation routes as follows: (A) From junction U.S. Highways 12 and 112, and Interstate Highway 94, at or near New

Buffalo, Mich., over Interstate Highway 94 to Detroit, Mich.; (B) from Chicago, Ill., over city streets to the Indiana toll road, thence over the Indiana toll road to junction Ohio Turnpike at the Indiana-Ohio State line, thence over the Ohio Turnpike to gate 4, at or near Toledo, Ohio, thence over U.S. Highway Bypass 25 to junction U.S. Highway 25, thence over U.S. Highway 25 to junction Michigan Highway 151, thence over Michigan Highway 151 to junction Interstate Highway 75, thence over Interstate Highway 75 to Detroit, Mich.; and (C) from Chicago, Ill., over city streets to the Indiana toll road, thence over the Indiana toll road to junction Ohio Turnpike at the Indiana-Ohio State line, thence over the Ohio Turnpike, to gate 5, at or near Toledo, Ohio, thence over Ohio Highway 120 to junction Interstate Highway 280, thence over Interstate Highway 280 to junction Interstate Highway 75, thence over Interstate Highway 75 to Detroit, Mich., and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: From Chicago over U.S. Highway 12, to junction U.S. Highway 112, thence over U.S. Highway 112 to Detroit and return over the same route.

No. MC 59894 (Deviation No. 11), TEXAS-ARIZONA MOTOR FREIGHT, INC., Post Office Box 1034, El Paso 99, Tex., filed April 4, 1963. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From St. Louis, Mo., over Interstate Highway 70 to Indianapolis, Ind., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over a pertinent service route as follows: From St. Louis over U.S. Highway 40 to Indianapolis, and return over the same route.

No. MC 75320 (deviation No. 17), CAMPBELL 66 EXPRESS, INC., Post Office Box 807, Springfield, Mo., filed March 29, 1963. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exception, over a deviation route as follows: From Kansas City, Mo., over city streets to Kansas City, Kans., to junction Interstate Highway 35, thence over Interstate Highway 35 to junction U.S. Highway 169, thence over U.S. Highway 169 to junction U.S. Highway 59, thence over U.S. Highway 59 to Parsons, Kans., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities over pertinent service routes as follows: From Joplin, Mo., over Missouri Highway 43 to junction Missouri Highway 57 (now 171), thence over Missouri Highway 57 to the Missouri-Kansas State line, thence over Kansas Highway 57 to junction U.S. Highway 69, thence over U.S. Highway 69 via Pittsburg, Kans., to junction U.S. Highway 50, thence over U.S. Highway 50 to Kansas City, Mo.; from Joplin over U.S. Highway 66 to junction Kansas Highway 96 (now 26), thence over Kansas Highway 96 to junction U.S. Highway 69, thence over U.S. Highway 69 to Pittsburg, and thence to Kansas City as specified above; from Crestline, Kans., over Kansas Highway 96 to Columbus, Kans., thence over Kansas Highway 7 to Scammon, Kans., thence over unnumbered highway via Corona, Kans., to West Mineral, Kans., thence over unnumbered highway to McCune, Kans., thence over U.S. Highway 160 to Parsons, thence return over U.S. Highway 160 to McCune, thence over unnumbered highway via Monmouth, Kans., to Cherokee, Kans., and thence over Kansas Highway 7 to Girard; and from Girard over Kansas Highway 57 to Franklin, Kans., and return over the same routes.

MOTOR CARRIERS OF PASSENGERS

No. MC 50026 (deviation No. 2), ARKANSAS MOTOR COACHES, LIMITED, INC., 100 East Markham, Little Rock, Ark., filed April 4, 1963. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, over a deviation route as follows: From junction Interstate Highway 40 and U.S. Highway 70, 4 miles east of West Memphis, Ark., over Interstate Highway 40 to junction U.S. Highway 70, 2 miles west of Lehi, Ark., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers over a pertinent service route as follows: From Memphis, Tenn., over U.S. Highway 70 to Hot Springs National Park, Ark., and return over the same route.

No. MC 61616 (deviation No. 5), MIDWEST BUSLINES, INC., Post Office Box 1188, Little Rock, Ark., filed April 4, 1963. Carrier proposes to operate as a *common carrier* by motor vehicle, of *passengers and their baggage*, over a deviation route as follows: From junction Interstate Highway 40 and U.S. Highway 70, 2 miles west of Lehi, Ark., over Interstate Highway 40 to junction U.S. Highway 70, 4 miles east of West Memphis, Ark., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers over a pertinent service route as follows: From Fort Smith, Ark., over U.S. Highway 64 to junction U.S. Highway 65, thence over U.S. Highway 65 to junction U.S. Highway 70, thence over U.S. Highway 70 to Memphis, Tenn., and return over the same route.

By the Commission.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 63-4315; Filed, Apr. 22, 1963; 8:50 a.m.]

[Notice 520]

MOTOR CARRIER APPLICATIONS AND CERTAIN OTHER PROCEEDINGS

APRIL 12, 1963.

The following publications are governed by the Interstate Commerce Commission's general rules of practice including special rules (49 CFR 1.241) governing notice of filing of applications by motor carriers of property or passengers or brokers under sections 206, 209, and 211 of the Interstate Commerce Act and certain other proceedings with respect thereto.

All hearings and prehearing conferences will be called at 9:30 a.m., U.S. standard time (or 9:30 a.m., local daylight saving time, if that time is observed), unless otherwise specified.

APPLICATIONS ASSIGNED FOR ORAL HEARING OR PREHEARING CONFERENCE

MOTOR CARRIERS OF PROPERTY

Special rules. The applications immediately following are assigned for hearing at the time and place designated in the notice of filing as here published in each proceeding. All of the proceedings are subject to the special rules of procedure for hearing outlined below:

Special rules of procedure for hearing.

(1) All of the testimony to be adduced by applicant's company witness shall be in the form of written statements which shall be submitted at the hearing at the time and place indicated.

(2) All of the written statements by applicants' company witnesses shall be offered in evidence at the hearing in the same manner as any other type of evidence. The witnesses submitting the written statements shall be made available at the hearing for cross-examination, if such becomes necessary.

(3) The written statements by applicant's company witnesses, if received in evidence, will be accepted as exhibits. To the extent the written statements refer to attached documents such as copies of operating authority, etc., they should be referred to in written statements as numbered appendices thereto.

(4) The admissibility of the evidence contained in the written statements and the appendices thereto, will be at the time of offer, subject to the same rules as if the evidence were produced in the usual manner.

(5) Supplemental testimony by a witness to correct errors or to supply inadvertent omissions in his written statement is permissible.

No. MC 119792 (Sub-No. 6), filed April 7, 1963. Applicant: CHICAGO SOUTHERN TRANSPORTATION CO., a corporation, 4000 Packers Avenue, Chicago, Ill. Applicant's attorney: Joseph M. Scanlan, 111 West Washington Street, Chicago 2, Ill. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat byproducts and articles distributed by meat packinghouses* as described in sections A, B, and C of appendix I in 61 M.C.C. 209, from the plant site of Armour & Co., at or near West Point, Nebr., to points in Arkansas, Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.

HEARING: May 20, 1963, at the Hotel Sheraton Fontenelle, Omaha, Nebr., before Frank R. Saltzman.

By the Commission.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 63-4316; Filed, Apr. 22, 1963; 8:50 a.m.]

[Notice 789]

MOTOR CARRIER TRANSFER PROCEEDINGS

APRIL 18, 1963.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC–FC 65797. By order of April 15, 1963, the Transfer Board approved the transfer to the Hine Line, a corporation, Chimney Rock Road, Martinsville, N.J., of certificates Nos. MC 15859 and MC 15859 sub 4, issued June 10, 1952, and October 3, 1960, respectively, to Warren E. Hine, doing business as the Hine Line, Chimney Rock Road, Martinsville, N.J., authorizing the transportation of: Green salted hides, from Chester, Philadelphia, and Hallstead, Pa., New York, N.Y., and Wilmington, Del., to Norwich, Conn.; from Wilmington, Del., and New York, N.Y., to Elkland, and Westfield, Pa.; from Hallstead, Pa., to Newark and Belleville, N.J., empty barrels, from Norwich, Conn., to Newark, N.J.; green hide trimmings, from Elkland and Westfield, Pa., to New York, N.Y., and points in Essex, Passaic, Somerset, and Union Counties, N.J.; hides and tanning extracts, between points in Essex, Passaic, and Union Counties, N.J., on the one hand, and, on the other, New York, N.Y., and points in Connecticut and Massachusetts; and hides, pelts, or skins, between points in New York; and between points in New York, on the one hand, and, on the other, points in Maryland, Delaware, New Jersey, and Pennsylvania (except from Alleghany and Boyertown, Pa.) and points in Pennsylvania within 150 miles of Boyertown, Pa., to points in New York, and except from Baltimore, Md., to Endicott, N.Y.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 63–4318; Filed, Apr. 22, 1963; 8:50 a.m.]

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